DOMINION OF CANADA



OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

FIRST SESSION—TWENTY-FIRST PARLIAMENT

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1950

HOUSE OF COMMONS

DEBATES

OF THE

OFFICIAL REPORT

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House of Commons Debates

OFFICIAL REPORT

Speaker: The Honourable W. Ross Macdonald

FIRST SESSION—TWENTY-FIRST PARLIAMENT

The twentieth parliament having been prorogued and dissolved by proclamation on Saturday, April 30, 1949, and writs having been issued and returned, a new parliament was summoned to meet for the dispatch of business on Thursday, September 15, 1949, and did accordingly meet on that day.

Thursday, September 15, 1949

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:

Léon 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 Patrick Kerwin, in his capacity as Deputy Governor General, would proceed to the Senate chamber to open the first session of the twenty-first parliament of Canada on Thursday, the 15th of September, at twelve o'clock noon.

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

Gentlemen of the House of Commons:

His Honour, 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 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 His Excellency the 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, His Excellency will declare the causes of calling this parliament.

And the house being returned to the Commons chamber:

ELECTION OF SPEAKER

MR. W. ROSS MACDONALD, MEMBER FOR THE ELECTORAL DISTRICT OF BRANTFORD

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Raymond, now that we who have been elected to this house to form a part of the twenty-first parliament of Canada have made our first formal bow to His Majesty's representative, and have been duly reminded of our obligations under the British North America Act, the moment has arrived for us to comply with the section of the act which requires the members elected to form a parliament after a general election, and, at the first opportune moment, to choose one of their number to be their Speaker.

Four years ago my predecessor, Right Hon. W. L. Mackenzie King, as prime minister, gave an interesting résumé of the provisions of the law and the requirements of practice and tradition in the selection of a Speaker, together with a precise enumeration of the qualifications it was fitting to find in the member chosen for that high office. I shall not take time today to repeat what was said on that occasion, but any hon. member who wishes to have his memory refreshed will find that interesting review in the first issue of *Hansard* of the twentieth parliament.

I hope and believe that the nomination it will be my privilege to make for this high office will meet with the approval of all members of the house. I am quite sure it will meet with the hearty approval of all hon. members who in previous years had the privilege of sitting with the hon. member who

is to be nominated, especially those of us who were here during the last parliament and were able to observe with what ability and distinction he fulfilled the office of Deputy Speaker and chairman of committees.

Hon. members will have understood from my last remark that it is my intention to move that Mr. W. Ross Macdonald, member-elect for the constituency of Brantford, be chosen to preside over our deliberations during this parliament.

Mr. Macdonald is still a young man. He was born not earlier than 1891, and for several years has been a distinguished member of the House of Commons. As we all know, Mr. Macdonald has had a distinguished career at the bar; his legal attainments and objective view of questions of order and procedure that might arise in the course of our deliberations cannot but commend themselves to those who know him. I am sure it is also an added pleasure to his colleagues in this house, in choosing him for this high office, to honour one who had such a distinguished career in the service of our country during the first world war.

The position of Speaker is of course a difficult one, but I am sure the qualifications of our colleague will enable him to discharge the responsibilities of that office not only with fairness and impartiality, but in such a manner as to add to the dignity of the proceedings of this parliament.

It is with a feeling of great satisfaction, Mr. Raymond, that I move, seconded by the Minister of Trade and Commerce (Mr. Howe):

That William Ross Macdonald, Esquire, member for the electoral district of Brantford, do take the chair of this house as Speaker.

Mr. George A. Drew (Leader of the Opposition): Mr. Raymond, there will be wholehearted approval in all parts of this house of the name that has been mentioned in connection with this motion, which I am sure will be supported unanimously. I have not had the extended experience others have had of sitting in this house with Mr. Macdonald, but it happens that I had the privilege of knowing him for many years before I came here. It is a fortunate thing for this house, and for the people of Canada whom this house serves, that a man of his distinction and ability should have occupied already the position of Deputy Speaker with satisfaction to all hon. members.

As has been pointed out by the Prime Minister (Mr. St. Laurent), Mr. Macdonald has had long years of public service in the legal profession, in the military forces and in local public service. He has been a member of this house for many years, and I feel sure there will be no more distinguished part of his service than that which he will give as Speaker of this house, where, as the one in whose hands lies the authority of the house itself, his judicial qualities and wide experience will guide the discussions in the Commons, which have so much to do with the welfare of everyone in Canada. I wish simply to add my words of hearty approval of this motion, and to express my confidence that Mr. Macdonald will be a worthy successor to the distinguished men who have preceded him. I feel sure I speak for all those sitting with me when I wish him health and happiness in the occupancy of the office to which he will be chosen.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Raymond, it gives me personally a great deal of pleasure to support the motion of the Prime Minister (Mr. St. Laurent), as well as to do so on behalf of the party we represent in this house.

As the Prime Minister has said, Mr. Ross Macdonald was elected to parliament in 1935, and some of us have been associated with him ever since. We respect him, and we have grown to have an affection for him, not only because of his unfailing courtesy in all matters having to do with the business of the house, but because in many respects he is a man of modesty. I am quite sure the high honour and dignity attached to the office of Speaker of the house will be maintained by him, and that his occupancy of the office will be worthy of the best among those who have presided over the business of the house in the past.

In this house, constituted as it is following the election, it is essential that the Speaker show impartiality and fairness to all hon. members, regardless of the party to which they belong and regardless of where they sit in this chamber. I am reminded of statements made by Speakers of the British house from time to time, that it is the duty of the Speaker to protect individuals or groups who find themselves in a minority position. I have no doubt that Mr. Macdonald will do that.

It is therefore with the greatest pleasure that, on behalf of those who sit with me, as well as on my own behalf, I support the motion presented by the Prime Minister.

Mr. Solon E. Low (Peace River): Mr. Raymond, I should like to indicate, on behalf of the group for which I speak, approval of the motion moved by the Prime Minister (Mr. St. Laurent). We believe that Mr. Macdonald is well fitted for the very high office for which he has been nominated. We shall support the Prime Minister's motion.

The Clerk of the House declared the motion carried in the affirmative, *nemine contradicente,* and the Hon. W. Ross Macdonald,

member for the electoral district of Brantford, duly elected to the chair of the house.

Hon. Mr. Macdonald was conducted from his seat in the house to the Speaker's chair by Right Hon. L. S. St. Laurent and Right Hon. C. D. Howe.

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

Messieurs de la Chambre des communes, je désire remercier tous les membres de la Chambre du grand honneur qu'il leur a plu de me conférer. Je suis vraiment honoré d'avoir été choisi comme votre Orateur.

The unanimity of approval with which my name was received by the members on both sides of the house, and the all too flattering references made to me, are deeply appreciated and will ever be cherished in my memory. But above all, they will serve to remind me of my great obligations to you who have entrusted so much to me.

It is true, as some hon. members have mentioned, that the experience which I gained as Deputy Speaker in the last parliament will be of assistance to me in solving the problems which will arise in this parliament. May I, however, remind hon. members that any little success I had in carrying out the duties of Deputy Speaker was due entirely to the assistance, advice and co-operation which I received at all times from all hon. members.

Gentlemen of the House of Commons, Messieurs de la Chambre des communes: You have entrusted to me the honour, the rights, the privileges and the prerogatives of the Commons. I assure you I shall endeavour to be worthy of this great trust and at all times to be fair and impartial as between parties and as between members, and with your co-operation I shall strive to maintain order and decorum in this house, whose servant I am.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, it gives me great pleasure to be the first to have the privilege of addressing you in that capacity. On this occasion I do so merely to suggest to you that you declare the sitting of this house suspended until three o'clock this afternoon.

Motion agreed to.

At 12.37 p.m. the sitting was suspended until 3 p.m. this day.

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 Governor General would proceed to the Senate chamber at three p.m. 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, His Excellency the Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly the house went up to the Senate chamber. Then the Hon. W. Ross Macdonald, 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 King 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 reasonable times, and that their proceedings may receive from Your Excellency the most favourable consideration.

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 Governor General to assure you that your words and actions will constantly receive from him the most favourable construction.

Then His Excellency the Governor General 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 Governor General 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.

VACANCIES

Mr. Speaker: I have the honour to inform the house that since the general election held on June 27, 1949, communications have been received from several members notifying the chief electoral officer, in accordance with chapter 145, section 2, of the Revised Statutes of Canada, 1927, that the following vacancies have occurred in the representation, viz.:

Of Hon. Ernest Bertrand, member for the electoral district of Laurier, conse-

quent upon his acceptance of an office of emolument under the crown.

Of Hon. Joseph Jean, member for the electoral district of Mercier, consequent upon his acceptance of an office of emolument under the crown.

Of Eugene Marquis, member for the electoral district of Kamouraska, consequent upon his acceptance of an office of emolument under the crown.

Of Elphège Marier, member for the electoral district of Jacques Cartier, consequent upon his acceptance of an office of emolument under the crown.

Of Léon J. Raymond, member for the electoral district of Gatineau, consequent upon his acceptance of an office of emolument under the crown.

Of Thomas Reid, member for the electoral district of New Westminster, consequent upon his being summoned to the Senate.

Of Benoit Michaud, member for the electoral district of Restigouche-Madawaska, by decease.

Of J. E. McMillin, member for the electoral district of Greenwood, by decease.

Accordingly new writs of election were issued for the said electoral districts respectively.

OATHS OF OFFICE

Right Hon. L. S. St. Laurent (Prime Minister) moved for leave to introduce Bill No. 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 Governor General 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:

There has been deep satisfaction in all parts of the country that the steady improvement in the health of the King has enabled His Majesty to resume most of his customary activities.

The opening of the twenty-first parliament is marked by the presence for the first time of the representatives of the new province of Newfoundland. It is a pleasure for me to welcome their participation in the national affairs of a greater Canada.

With the admission of the new province of Newfoundland the Canadian nation attained the geographical limits planned by the fathers of confederation. You will be asked at the present session to approve measures designed to facilitate the attainment of the constitutional limits of our nationhood. To this end, a bill will be introduced to amend the Supreme Court Act so that the Supreme Court of Canada will become the final court of appeal for Canada.

You will also be asked to approve addresses praying the parliament of the United Kingdom to vest in the parliament of Canada the right to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the constitutional rights and privileges of the provinces or existing rights and privileges with respect to education or the use of the English and French languages.

My ministers will seek to arrange for early consultation with the provincial governments with a view to agreeing upon an appropriate procedure for making within Canada such other amendments to the constitution as may from time to time be required.

The hopes held four years ago for world peace and security under the aegis of the united nations have not yet been realized. The menace of communist totalitarianism continues to threaten the aspirations of men of good will. It is, however, gratifying that the North Atlantic treaty has been brought into effect and is already proving its worth in lessening the risks of armed aggression.

The defence needs of Canada both as a separate nation and as a signatory of this treaty are being kept constantly under review. Good progress has been made in the co-ordination and unification of our armed forces and conditions of service are being improved. Special attention is being given to research and development intended to provide the forces with the most modern equipment suitable for present requirements.

A measure will be introduced to consolidate the legislation respecting the defence forces and the Department of National Defence.

It is the view of my ministers that the economic health and stability of the nations of the north Atlantic community must be the real foundation of their ability to resist and, therefore, to deter aggression.

Although the nations of western Europe have made substantial progress towards recovery from the ravages of war, they have not been able to restore completely their economic strength. Their shortage of dollars continues, and international trade remains in a state of unbalance. The government is seeking by all appropriate means to co-operate in measures to restore economic equilibrium. The achievement of a pattern of world trade in which the trading nations can operate together within one single multilateral system continues to be the ultimate aim of my government.

Since parliament last met the international wheat agreement has come into operation. The agreement together with the other arrangements made to dispose of our surplus agricultural products will provide additional economic security for many of our farmers.

At home we continue to enjoy prosperity. Agricultural production generally continues to be high. Private capital investment and employment have remained at high levels. Relations between employers and employees have, with few exceptions, been satisfactory.

As a result of legislation passed at the last session of parliament, new agreements with respect to old age pensions have been completed with nine of the provinces, and increased pensions have now been made available to the aged and the blind in those provinces. The completion of a similar agreement with the province of Newfoundland awaits the enactment of the required provincial legislation.

The continued co-operation of the provinces in the implementation of the national health pro-

gram has resulted in further progress being made towards the desired objective of improved health facilities and services for the people in all parts of Canada.

While more housing units are being built this year than ever before, the demand for housing continues. Following discussions with the governments of the provinces your approval will be sought for legislation to broaden the scope of the National Housing Act.

A bill to provide for the continuance of functions now vested in the Department of Reconstruction and Supply, including the ministerial responsibility for the Central Mortgage and Housing Corporation, will be placed before you for your approval.

You will also be asked to approve a measure to enable the government to assist in the provision of a transcontinental highway.

The government has concluded new air agreements with the United Kingdom and the United States. The agreements provide new routes for our international air services to the United States and to the Orient, and additional traffic stops in United States and United Kingdom territory for our present international services on the north Atlantic, to the Caribbean and to the south Pacific.

Measures demanding your consideration will include a bill respecting a national trade mark and true labelling; a bill respecting forest conservation; a bill to incorporate the Canadian Overseas Telecommunication Corporation; a bill respecting assistance to the shipbuilding industry and merchant shipping; a bill to extend the life of the Export and Import Permits Act; and bills to amend the Exchequer Court Act, the Industrial Development Bank Act, the Emergency Gold Mining Assistance Act, the Prairie Farm Assistance Act, the Customs Act and the Veterans Land Act of 1942.

Members of the House of Commons:

You will be asked to make provision for the public service for the current fiscal year. The budget resolutions introduced at the last session of parliament will be submitted for your approval and the enactment of the appropriate legislation.

Honourable Members of the Senate:

Members of the House of Commons:

I pray that Divine Providence may bless your deliberations.

BUSINESS OF THE HOUSE

MOTION FOR PRECEDENCE OF DEBATE ON ADDRESS

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That the speech of His Excellency the Governor General to both houses of parliament be taken into consideration on Friday next, and that this order have precedence over all other business except the introduction of bills and government notices of motions, on Mondays, Wednesdays and Thursdays until disposed of.

This will enable us, on Tuesdays and Fridays, which under the standing orders of the house are government days, to proceed at once with government business without waiting until the completion of the address in reply to the speech from the throne.

I hope this motion will meet with the approval of the house, and that it may not require too many Mondays, Wednesdays and Thursdays to complete the consideration of His Excellency's address.

Motion agreed to.

TRIBUTES TO DECEASED MEMBERS

THE LATE BENOIT MICHAUD—THE LATE J. ERNEST MCMILLIN
THE LATE SENATOR MACKENZIE

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, it has just been Your Honour's unfortunate obligation to inform the members of this house that since the last general election two of the members elected to sit in this parliament have died. I refer, of course, to the members elect for Restigouche-Madawaska and Toronto Greenwood.

Mr. Benoit Michaud, the member for Restigouche-Madawaska, had been ill for some time before the conclusion of the last parliament. I am sure that those who sat with him during the last parliament sincerely deplore the fact that a young man, practically in the prime of life, who had shown such great promise in this house, is not with us today.

(Translation):

Mr. Michaud was born near Grand Falls, New Brunswick, in 1902. A brilliant student who distinguished himself at Saint Anne's college and at the university of New Brunswick, he first turned to the teaching profession. His admittance to the bar marked the beginning of an outstanding career during which he was associated with a man who is now a member of the Supreme Court of New Brunswick, Mr. Justice Arthur Anglin. The latter was associated with our lamented colleague, the late Hon. Francis Bridges.

Mr. Michaud took a keen interest in all the social activities of his community. He was for some time clerk of the county court of his district. Then, for a few years, he acted as protonotary of the supreme court of his province. The manner in which he acquitted himself in the discharge of his various duties brought him into public esteem.

He belonged to every social organization formed by our Acadian brethren. In 1944, he entered the political field, being elected to the New Brunswick legislature, where he represented his home constituency. The following year, he was a candidate in the general election and became the member for the constituency of Restigouche-Madawaska.

We, who were here at the time, remember that Mr. Michaud seldom spoke during the first two sessions of the twentieth parliament, but in the third session, he took an active part in the debates. Our friends on the opposite side of the house considered him a redoubtable opponent while we, on this side, hailed the talents which the new member was revealing.

Tributes to Deceased Members

He had always been a member of the Liberal party, but he had his own ideas on many subjects and also as to the conclusions to be drawn from the great principles of the Liberal party. He had no hesitation in voicing his views quite frankly and openly in this house.

He was, of course, very fluent in his mother tongue, but he spoke English with equal ease, and was thus able to express himself objectively in both languages.

As I said a moment ago, we deeply regret that so promising a career was interrupted so soon. I am sure that all the members of this house wish to be personally associated in the expression of our most sincere condolences to Mrs. Michaud and the four children of our lamented colleague.

(Text):

I had not the privilege of personal acquaintanceship with the member-elect for the constituency of Greenwood, but I am sure all members of this house wish to extend to his family, to his friends and to the leader of the opposition and his colleagues sincere condolences on the untimely death of a colleague so shortly after his successfully contesting the election in that constituency.

Mr. Speaker, though it may not be the usual practice, I am sure the leader of the opposition (Mr. Drew) and all other hon. members will not find it surprising that on this occasion I should depart from the usual custom and say just a word about a former member and distinguished colleague who was long associated with this house. I refer to Senator Mackenzie, who died at the beginning of this month.

The late Senator Mackenzie was born in Scotland of humble parentage, on July 27, 1890. He put himself through the famous highland school of Kingussie and the university of Edinburgh, almost entirely on scholarships won by his own achievements. He had always been a brilliant scholar, and had specialized in Celtic languages and literature. That fact did not prevent him, however, from bringing close and careful attention to the study of law; in two years he qualified for the degree of Bachelor of Laws. In 1914 he came to this country as an immigrant, but we remember that before the end of that year the institutions of this country—indeed, those of the free world—were under a serious threat. He immediately joined the Canadian forces and went overseas as a member of Canada's Seaforth Highlanders. I shall not at this time say anything about his career in the army. We know that it was distinguished, and we know that his physical prowess was such that it must have made a considerable impact upon any enemy who came within reach of him.

On returning to British Columbia after the war he took up the practice of law, and immediately evinced keen interest in the affairs of the veterans. He became president of the Vancouver command of the Great War Veterans' Association, and soon became its dominion vice-president. His interest in the welfare of the veterans never lagged from that moment up to the day of his untimely passing to a better world.

Ian Mackenzie was elected to the British Columbia legislature in 1920 and re-elected in 1924. He was again elected in 1928, in which year he became a member of the British Columbia cabinet. In 1930, after ten years in the British Columbia legislature, he began his eighteen-year representation of the constituency of Vancouver Centre in the federal house. He was successful in the federal election of that year, but though shortly before the election he had become minister of immigration and colonization, after the election the administration was in the hands of one other than my distinguished predecessor, and Ian Mackenzie sat in the ranks of the opposition until 1935.

On the return of the Liberal party to power in 1935, Mr. Mackenzie never ceased to urge the importance of military preparation. He was appointed minister of national defence, and in that position had much to do with the reorganization of the Canadian militia and with the obtaining of some increases in the military budget. I say "some increases", because, in the light of what is now regarded as necessary for the defence forces of this country, those increases would appear to be relatively quite small.

I am sure that our late lamented colleague will be best remembered for his administration of the Department of Veterans Affairs when that department was created under him in October, 1944, and for the beneficial schemes which he worked out for the rehabilitation of the men who served their country so effectively during the last terrible war. In 1947 he was honoured by His Majesty the King, who made him a member of his imperial privy council. In January of last year he was appointed to another place, where he continued to advocate, with the vigour we knew him to possess, the causes which appeared to him to be in the interests of the Canadian public.

I am tempted to make just one reference to the fact that Ian Mackenzie was one of the most colourful speakers it has been my

privilege to listen to in the almost eight years I have had a seat in this house. It was always a joy to listen to him and to hear the musical resonance of his striking phrases.

I am sure hon. members agree that it was not improper that I should depart from the usual custom and, for them as well as for myself, offer our sincere condolences to his young widow, who had enjoyed only two years of marital bliss with our late lamented friend.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I wish to join in the appropriate expressions of sympathy which the Prime Minister (Mr. St. Laurent) has voiced on behalf of the members of this house in regard to the death of two of the members-elect and of one other colleague who had sat here for so long.

I should like to say something about the member-elect for Toronto Greenwood, Mr. McMillin, because naturally we on this side of the house were personally associated with him. I know that his widow and his daughter will appreciate what has been said here of the regret felt by the whole house at his decease.

It was particularly tragic that a man who had just been honoured by election to this house, and was looking forward very much to taking his place here—as his family were —should have died so short a time and so unexpectedly before this house met. Like other hon. members who sat in this house and whose names have been mentioned, he had a long record of public service in his own community. In his family, service to the public was a tradition. He had been brought up in a home where the idea of public service was natural. His father was mayor of the town of East Toronto before East Toronto was amalgamated with the city. From the time he was a very young man Mr. Ernest McMillin had taken an extremely active part in everything that was in the interest of the community in which he lived. He was particularly interested in the young people with whom his work was always associated. In his business career he followed in the footsteps of his father. He was engaged in the extremely important occupation of building houses and other structures of that kind, and at the time of his death was extensively engaged in that work. He was for many years a member of the Toronto board of education, and was regarded as its financial adviser.

I mention these things because they are the qualifications which he would have brought to this house. He also took a very great part in the activities of the Toronto East General hospital. The special interests that he had in the nurses' training school there resulted in the training of a large number of young women at a time when they were so greatly needed. I believe an hon. member who was most closely associated with him will have something to say in that regard. But I know that his work was very important, and that he had arranged scholarships for these young nurses, which has encouraged greatly the entry of young women into this useful work.

I join with the Prime Minister, as I know all hon. members do, in expressing our sincere sympathy to his widow and to his daughter, and the regret we all share that he should have been deprived of the opportunity of carrying forward that public service.

The Prime Minister has spoken of the career of Mr. Benoit Michaud, and the tragedy that a young man of such great brilliance and such wide attainments should have been lost to this house by death. All hon. members who were here earlier in the year know that he had been ill at that time. He displayed considerable courage in continuing his service in the house, and equal courage in contesting the election, knowing that his health was not good. In mentioning Mr. Michaud's wide field of attainments the Prime Minister indicated the basis of the type of public service which he was capable of giving. Not only is it a great loss to his associates, to his family, and to those who had chosen him in their own community to serve in their behalf; it is a tragedy to Canada as well that the services of this man have been lost.

I join with the Prime Minister in expressions of sympathy and regret in the death of Senator Ian Mackenzie. The Prime Minister has fully covered the wide and varied career of a very colourful man who so long sat in this House of Commons. He never at any time permitted anyone to forget where he had been born, and he at all times showed his pride in the place of his birth; but having gone to live in British Columbia he was no less insistent that everyone he met should appreciate the outstanding qualities of that part of Canada in which he had chosen to live. That characteristic is in itself one of the things that enrich the whole life of our country. Therefore on behalf of those with whom I am associated in this house I join in expressing our regret that these men should have been lost to the public service of Canada by death. I also join in the message of sympathy to their families who mourn their loss.

Mr. J. H. Harris (Danforth): Mr. Speaker, I ask the indulgence of the house for a moment or two while I pay a word of tribute to those who have gone on before us. Naturally, sir, I think of my colleague, an ex-officer of my organization, who came from the half of my own original riding which I had the privilege of representing for close to twenty years, and of how he, John Ernest McMillin, more commonly known as Ernie McMillin, looked forward to being of some service to his community.

I look around this chamber, Mr. Speaker, and I see before me no one who has been here continuously since I first came here. That shows how quickly the scene changes. I pay tribute to the hon. member for Quebec South (Mr. Power), who happens to be absent at the moment. But for the first time in three decades, after listening each year to tributes paid to men of high qualifications, and men of honour who have passed on in the intervening period, I ask your indulgence, Mr. Speaker, and I do not think I am asking too much, for a moment or two while I say a word about those with whom I have been associated.

John Ernest McMillin, a younger man than myself, was well known to me. A constituent of mine, he left behind a very able Christian widow and a most charming daughter eighteen years of age. He left behind him an estate and a reputation for fair dealing. As my leader said a moment ago he was more than a builder of houses; he built upwards of a hundred, of which today seventeen are under construction and have to be finished. He was a builder of character and citizenship within the community, and by example as well as precept he showed the rest of us the way we ought to go. He was chairman of the board of stewards of his church, and served in a similar capacity in community enterprises of one kind or another. He was instrumental in raising many thousands of dollars for charitable purposes. The late Mr. McMillin was a member of the board of education in Toronto, in which endeavour he took a keen interest, and always showed himself to be anxious to give service to his fellow men. All of us learned to love, respect and admire him.

My leader has been good enough to mention a hospital employing a personnel of not only 250 nurses but an additional 350 persons. The late member on his own motion, through the board of that institution, instituted scholarships with a view to encouraging the nurses in their great work. But he went further than that, Mr. Speaker. He believed that within the confines of their plant, valued at about $5 million, they might find some little space to be used as a chapel where those in distress might come to meditate. As I have said, in the new plans for the $2 million addition to that building, with which the minister of health is now helping us, he made sure that there would be a chapel. He went further, and undertook to see that the $10,000 which would be required for the building of that chapel for those in distress would be available in due time.

The late Mr. McMillin was cut off in middle life. Speaking to his widow this morning I asked her to be of good cheer. I assured her that we had all loved her husband, and that we cherish his memory. I am sure she will be cheered by the words emanating from this chamber this afternoon from the Right Hon. Prime Minister (Mr. St. Laurent) and the leader of the party to which I belong (Mr. Drew), and I shall consider it my duty to see that those words are conveyed to her.

I shall not attempt to discuss the many ramifications of the works undertaken by the hon. member whose loss we have suffered within less than two months of his being elected. His connections with businessmen's associations, the Y.M.C.A. and community projects of other kinds are well known to his many friends. That is where they should be known. It is with a heavy heart, sir, that I offer these few words this afternoon to be placed on *Hansard* in order that they may be embalmed in the records of this honourable assembly. I trust that in due course they may be of some comfort to the members of his family.

I believe all observant members of the House of Commons know of the reasonably close friendship between me and the right hon. gentleman who, toward the close of his public service, sat in another place. I know that while serving as a minister of the crown the Right Hon. Ian Mackenzie helped many of us who were trying to be of service to our communities. I learned to know him as a man, and as a public-spirited servant of the people of Canada.

I have met his family. Let me at this time pay tribute to the work he did for Canada both in this chamber and in cabinet council. Perhaps I shall not be considered selfish if I pay tribute to the work he did on behalf of certain charitable institutions in which other members of this assembly were interested—and I take second place to few when I say that.

The hon. member who takes his place in this chamber as Minister of National Health and Welfare (Mr. Martin) is a gentleman of high calibre who has the health of Canadians at heart. I trust that in the House of Commons he will implement the obligations taken

on by his predecessor to make a happier Canada by promoting the health of his fellow men.

It was not my good fortune to meet the young man from the maritimes whom the party opposite has lost. However, I extend my sympathies and those of my constituents to the Prime Minister in the loss that Canada has sustained through the passing of all three members since we last met.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, I believe it is an unusual experience when, on the first day of a parliament, we must record the passing of two of its elected members. I had never met Mr. McMillin, but I am sure his loss will be felt by the leader of the opposition (Mr. Drew) and the party with which he was associated. We extend to his widow and family in their loss our deepest sympathy, and we express sympathy, too, with the loss sustained by the Progressive Conservative party.

Most of us knew Mr. Michaud well. He sat about opposite where I now stand, and was at all times one of the bright spirits in the house. Often he livened speeches with appropriate interjections. We shall miss him sorely, because he gained the friendship and respect of all of us, irrespective of where we sat in the chamber. It is sad indeed that a young man should pass under these circumstances. We knew that during the last session he was ill, and that upon his return after an illness he looked far from well. It is tragic indeed that a young man with a promising career before him should pass at a time when he could have rendered great service to his constituents and his country. To the widow and young family he has left behind we extend our deepest sympathy in their loss.

May I express to the government and the members of the Liberal party our regret at the loss of another of their colleagues. I believe the Prime Minister was justified this afternoon in referring to the passing of Senator Ian Mackenzie, who for so long was a member of the House of Commons. However, it has been customary on such occasions to refer only to members of the house, and at this time I propose only to express on behalf of my colleagues and myself our sympathy with his widow in her loss.

I trust there will not be many such occasions during the term of this parliament, which has assembled today for the first time.

Mr. Solon E. Low (Peace River): Mr. Speaker, I should like to associate myself with the tributes which have been paid this afternoon to the three hon. members who, through decease, have been lost to the public service of Canada.

I did not know Mr. McMillin, but from what has been said I am sure the Progressive Conservative party and the leader of the opposition (Mr. Drew) will miss him sorely. Our sympathies go out to them and to the family of the deceased.

Let me say, concerning my late friend who represented Restigouche - Madawaska, that this good man had my greatest respect and highest regard.

I sat opposite him for four years and learned to appreciate his many fine qualities. It was because of his high sense of public duty, so characteristic of him, that he attended the spring session of parliament and gave of his best. That is a matter for admiration, no matter on which side of the house a man so actuated may sit.

My sympathies go out to the Prime Minister and the Liberal party on the loss of this promising young man. To the family of Mr. Michaud go our deepest sympathies, and the hope that God will soon heal the wounds they have suffered. His memory will always be held in high regard.

Just a word about the late Senator Mackenzie. I think it proper that the Prime Minister should mention his passing, and that we should pay a tribute to one who was a member of this house for so long and whose colourful career has not passed unnoticed by any Canadian who is informed. We extend our deepest sympathy to his widow and to all who are grieved by this passing.

STANDING COMMITTEES

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That a special committee be appointed to prepare and report, with all convenient speed, lists of members to compose standing committees of this house under standing order 63, said committee to be composed of Messrs. Fournier (Hull), Claxton, Casselman, Johnston and Weir.

Motion agreed to.

INTERNAL ECONOMY COMMISSION

Right Hon. L. S. St. Laurent (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 approved minute of council appointing the Honourable Alphonse Fournier, Minister of Public Works, the Honourable D. C. Abbott, Minister of Finance, the Honourable J. J. McCann, Minister of National Revenue, and the Honourable F. G. Bradley, Secretary of State, to act with the Speaker of the House of Commons as commissioners for the purposes and under the provisions of chapter 145 of the Revised Statutes of Canada, 1927, intituled: An Act respecting the House of Commons.

LIBRARY OF PARLIAMENT

Report of the joint librarians of parliament. —Mr. Speaker.

BRITISH NORTH AMERICA ACT

CONSULTATION WITH PROVINCIAL GOVERNMENTS AS TO AMENDMENTS—TABLING OF CORRESPONDENCE

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, you and hon. members will have noticed a paragraph in the speech of His Excellency which states:

My ministers will seek to arrange for early consultation with the provincial governments with a view to agreeing upon an appropriate procedure for making within Canada such other amendments to the constitution as may from time to time be required.

This is a matter of concern to both the federal and the provincial authorities. Yesterday I dispatched letters to the premiers of the ten provinces. I am tabling a copy of the letter written in French to Premier Duplessis, and a copy of the letter written in English to Hon. Leslie M. Frost, Premier of Ontario. I may say that the letters to the other premiers were in terms identical with those to be found in the copy of the letter to Premier Frost.

SUPPLY

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That this house resolve itself at its next sitting into a committee to consider of a supply to be granted to His Majesty, notwithstanding the provisions of standing order 57.

Standing order 57 does not prevent this from being done at this time, but provides that as soon as the address in reply to the speech from the throne is adopted, there shall be set up a committee of ways and means and a committee of supply. Hon. members who were here during the last parliament will recall that we voted interim supply for a period which will expire at the end of this month. While it is hoped to deal with the estimates as early and as expeditiously as possible, it may be necessary, in order to prevent any disturbance in the public service, to ask for additional supply, because it is hardly likely that the supply bill can be adopted in its final form before September 30.

I think it would be desirable to have these committees set up at the earliest possible moment so that the Minister of Finance (Mr. Abbott) may table his estimates. Naturally the estimates will be the same as those which were tabled at the last session, and on which the interim supply passed at the last session was based. I hope I shall have the agreement of the house to the adoption of this motion.

Motion agreed to.

WAYS AND MEANS

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That this house do at the next sitting resolve itself into a committee to consider of the ways and means for raising the supply to be granted to His Majesty, notwithstanding the provisions of standing order 57.

Motion agreed to.

HOUSE OF COMMONS

APPOINTMENT OF CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That Joseph Alfred Dion, Esquire, member for the electoral district of Roberval, be appointed chairman of committees of the whole house, notwithstanding the provisions of standing order 56.

As hon. members know, the chairman of the committees of the whole is also the Deputy Speaker. I have named as candidate for that office a gentleman who I think has the qualifications to fill it with the fairness and impartiality that have heretofore distinguished the holders of this office. He is Mr. Joseph Alfred Dion, member for the electoral district of Roberval, a distinguished lawyer. As hon. members who were here during the last parliament know, he was an attentive follower of the deliberations of this house, and one who on many occasions made valuable contributions to its debates.

Motion agreed to.

APPOINTMENT OF DEPUTY CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, it is provided in rule 56 of the rules of the house that a deputy chairman of committees may be appointed. I think our experience in the performance of the duties of that office by a gentleman who is now in another place has shown us the value and desirability of having a deputy chairman of committees.

I should like to move:

That Louis René Beaudoin, Esquire, member for the electoral district of Vaudreuil-Soulanges, be appointed deputy chairman of committees of the whole house, notwithstanding the provisions of standing order 56.

I am sure that those who were here last year were impressed, as I was, by his constant attendance and attention to the business

of the house. I believe that his qualifications —those which he acquired when he qualified for the practice of law in the province of Quebec, and has demonstrated during the years in which he has been engaged in that profession, as well as those he has displayed since entering the house—fit him admirably to replace our former colleague, who won the affection of us all.

Motion agreed to.

APPOINTMENT OF DR. ARTHUR BEAUCHESNE AS HONORARY OFFICER OF THE HOUSE OF COMMONS

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, on the 20th of September, 1917, Sir Robert Borden, then prime minister, rose and from his place made the following statement:

An intimation has been already conveyed to the house that the Clerk of the House purposes retiring from the duties of his office, which he has discharged for some fifteen years. Previous to his acceptance of the office which he now holds, Dr. Flint had a distinguished career in parliament and in the public life of the country, and since he undertook the responsibilities of the important office of Clerk of the House, all of the members who have come in contact with him have appreciated the ability, zeal, and industry which he has uniformly displayed in the discharge of his duties.

I desire to express my own personal recognition of his uniform courtesy and his unfailing attention to all matters which I have had to bring to his notice in the ten years which I served as leader of the opposition, and in the six years which I have had imposed upon me the responsibilities of First Minister.

I feel perfectly confident that my right hon. friend, the leader of the opposition, will join with me in proposing a resolution which I am sure will meet with universal acceptance by all the members of this house. It is my privilege to move, seconded by Sir Wilfrid Laurier:

"That in view of the long and faithful services of Doctor Thomas B. Flint, Clerk of the House of Commons, he be continued after his retirement an honorary officer of this house, and that he be allowed the entrée of the House of Commons and a seat at the table on occasions of ceremony."

I think it is fortunate that, as the years go by, we can find occasion to repeat such gesture to men who have faithfully and long served the House of Commons at the table. Hon. members have noted that, after many years of efficient, courteous and devoted service to the members of this house, Dr. Arthur Beauchesne has reached the age of retirement, and has retired.

I have had the opportunity of discussing with the leader of the opposition, and the leaders of the other groups, the precedent established in this house over thirty years ago. It is my privilege to move at this time, seconded by the leader of the opposition:

That in view of the long and faithful services of Dr. Arthur Beauchesne, the recently retired Clerk of the House of Commons, he be appointed an honorary officer of the house, and that he be allowed the entrée of the House of Commons and a seat at the table on occasions of ceremony.

Mr. George A. Drew (Leader of the Opposition): In seconding this motion, Mr. Speaker, I feel sure that all hon. members will be happy to have the privilege of giving this evidence of their appreciation of the great contribution Dr. Beauchesne has made to the clarification of procedure in the House of Commons. To settle most arguments on procedure it is necessary only to mention a reference in *Beauchesne*. In a great many ways we have adopted the practices of Westminster, but here in this House of Commons we have also developed practices of our own; and to a very considerable extent those practices have taken form and have been clarified and interpreted under the guidance of this great student, who will long be remembered as the man whose views were regarded as so decisive in most cases in which they were cited. Along with that of Dr. Bourinot, I feel that the name of Dr. Beauchesne will be remembered as among those who have done much to design the general practice and procedure that has grown up in this house.

While we are paying this extremely well deserved tribute to Dr. Beauchesne, may I add that I am sure it will be a very real source of satisfaction to the new clerk of the house, who sits in his place, to know that from time to time he will have the benefit of the guidance and experience of Dr. Beauchesne, which I am sure will be of value to him in that way as it has been to this house for so many years.

Motion agreed to.

APPOINTMENT OF CLERK AND CLERK ASSISTANT

Mr. Speaker: I have the honour to inform the house that the governor in council has appointed Léon J. Raymond, Esquire, O.B.E., as Clerk of the House of Commons, and Edward Russell Hopkins, Esquire, as Clerk Assistant of the House of Commons.

MAIN ESTIMATES, 1949-50

A message from His Excellency the Governor General transmitting estimates for the financial year ending March 31, 1950, was presented by Hon. Douglas Abbott (Minister of Finance), read by Mr. Speaker to the house, and referred to the committee of supply.

SUPPLEMENTARY ESTIMATES, 1949-50

A message from His Excellency the Governor General transmitting supplementary estimates for the financial year ending

March 31, 1950, was presented by Hon. Douglas Abbott (Minister of Finance), read by Mr. Speaker to the house, and referred to the committee of supply.

BUSINESS OF THE HOUSE

Mr. St. Laurent moved the adjournment of the house.

He said: As determined by a motion adopted earlier today, the business tomorrow will be the consideration of the speech from the throne. I imagine it might suit the convenience of hon. members to learn now whether we are to go beyond the speeches of the mover and seconder. The usual practice has been to have the mover and seconder speak on Friday and then have the debate adjourned until the following Monday. If it were desired to follow that practice in this instance I think hon. members would be glad to be so advised, so they might make their plans accordingly. If that is agreeable to the leader of the opposition (Mr. Drew) I think hon. members might like to know.

Mr. Drew: Yes, Mr. Speaker; that procedure will be agreeable.

Motion agreed to and the house adjourned at 5.07 p.m.

HOUSE OF COMMONS

Friday, September 16, 1949

The house met at three o'clock.

BRITISH EMPIRE SERVICE LEAGUE

WELCOME TO DELEGATES TO TENTH BIENNIAL CONFERENCE

Mr. Speaker: No doubt hon. members have noticed in the press that the tenth biennial conference of the British Empire Service League is now being held in Ottawa. A number of distinguished delegates to this conference are with us this afternoon and are now seated in the south gallery. I am confident that you would like me to extend to them on your behalf a very warm welcome to our midst.

Delegates have come to Canada from some twenty-one different countries of the commonwealth. Those who are with us this afternoon represent the following countries: Antigua, Australia, England, Gold Coast, India, Ireland (northern area); Ireland (southern area); Malaya, Newfoundland, New Zealand, Nigeria, Nyasaland, Pakistan, Rhodesia, Scotland, Sierra Leone, South Africa, St. Lucia, Trinidad and Wales.

You will notice that the delegation is made up of both men and women. These delegates, together with the delegates of our own Canadian legion, are under the outstanding leadership of their chairman, Lieutenant General Sir John Brown. I can assure them that they are indeed welcome guests to Canada, and I have pleasure in expressing to them on your behalf the earnest hope that their deliberations will prove of far-reaching benefit to the many hundreds of thousands of ex-service men and women who have so valiantly and well served in His Majesty's armed forces.

REPORTS AND PAPERS

(For list of departmental and other reports tabled, see *Votes and Proceedings,* No. 2, of September 16, 1949.)

INCOME TAX

QUESTION AS TO ALLOWANCE OF TRADE UNION DUES AS DEDUCTION FROM TAXABLE INCOME

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to direct a question either to the Minister of Finance or the Minister of National Revenue. In view of the recent favourable decision by the exchequer court, what action will the government take to provide for the allowing of trade union dues as a deduction from taxable income for income tax purposes?

Hon. J. J. McCann (Minister of National Revenue): I thank the hon. member for having given notice of his question. I shall give him an answer early next week.

TARIFFS AND TRADE

ANNECY CONFERENCE—INQUIRY AS TO REPORT OF PROCEEDINGS

On the orders of the day:

Mr. Victor Quelch (Acadia): I desire to address a question to the Secretary of State for External Affairs. Would it be possible for him to table the report of the proceedings of the conference held at Annecy?

Hon. L. B. Pearson (Secretary of State for External Affairs): The results of the tariff negotiations conducted at Annecy will be made public on or about the 10th of October by the United Nations, and at that time will be published also in the various capitals of the countries represented at the conference. In addition to those already tabled, documents arising out of the operation of the general agreement on tariffs and trade will be tabled in this house in due course.

NORTH ATLANTIC COUNCIL

REQUEST FOR STATEMENT AS TO CANADIAN DELEGATION

On the orders of the day:

Mr. Gordon Graydon (Peel): In view of the fact that tomorrow the North Atlantic council meets in Washington, would the Secretary of State for External Affairs care to indicate the composition of the Canadian delegation to that council, and also in general what position our delegation will take at this very important meeting?

Hon. L. B. Pearson (Secretary of State for External Affairs): The hon. gentleman was good enough to give me notice of this question. It is true that the North Atlantic council will hold its first session tomorrow morning in Washington. Canada will be represented at that meeting by myself as Secretary of State for External Affairs, and I shall be

accompanied by the under-secretary and will also have the assistance of the Canadian ambassador in Washington.

When the Atlantic pact was signed last April it was agreed to establish a working party to prepare for presentation to the members of the council at its first meeting a report on a suitable organization to be established under article 9 of the pact. That working group, on which Canada was represented, has completed its work, and its report will be the main order of business at the council meeting tomorrow morning. At this stage, of course, I cannot give the house any indication of the details of that report, but we hope it will be made public either Saturday evening or Monday. I can say, however, that it provides for the establishment of a defence council which would consist of the defence ministers of the various countries concerned, or their representatives, and also for certain subsidiary organizations in the field of defence planning and military supply. When the report has been considered and approved by the council it will be made public.

The report has been considered by the government, and we think it provides a suitable basis for the organization required under the Atlantic pact, so that it can become an effective instrument for the carrying out of its primary purpose, that of assisting the United Nations in preserving peace and preventing aggression.

BRITISH NORTH AMERICA ACT

CORRESPONDENCE WITH PROVINCIAL GOVERNMENTS AS TO AMENDMENTS

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): In view of the importance of the correspondence tabled yesterday by the Prime Minister, including letters to the premiers of Ontario and Quebec in relation to the amendment of the British North America Act, would the right hon. gentleman consider proposing that those letters be printed either in *Hansard* or in *Votes and Proceedings*?

Right Hon. L. S. St. Laurent (Prime Minister): If it is the desire of hon. members that these letters be printed as an appendix to *Hansard,* I do not think there could be any objection; and if Your Honour will so direct, I think most hon. members will be glad to have them in that convenient form.

(For text of letter to premiers of provinces, see appendix, pages 25 and 26.

[Mr. Pearson.]

COLLECTIVE SECURITY

INQUIRY AS TO ARRANGEMENTS AFFECTING PACIFIC AREAS

On the orders of the day:

Mr. T. L. Church (Broadview): I should like to ask the Secretary of State for External Affairs whether the government will consider the question of a Pacific pact. The Atlantic pact involves only two hundred million people at our front door, whereas a Pacific pact would involve all of the people of Asia, amounting to two or three times that number.

Hon. L. B. Pearson (Secretary of State for External Affairs): The hon. gentleman has raised a very important question, which it would be hardly appropriate for me to go into at this time. I can tell him, however, that the matter he has mentioned, the establishment of a collective security arrangement in the Pacific, has been considered by all the Pacific countries in recent months, particularly by those who are even more directly concerned than Canada. There are, of course, some obvious difficulties in the way at the present time. The matter, however, is of great importance, and I am sure that all the governments concerned will continue to give it consideration.

Mr. Church: There is ten times more reason for considering a Pacific pact than there was for an Atlantic pact.

SPEECH FROM THE THRONE

ADDRESS IN REPLY, MOVED BY MR. MAURICE BOISVERT AND SECONDED BY MR. ARTHUR LAING

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

(Translation):

Mr. Maurice Boisvert (Nicolet-Yamaska): Mr. Speaker, it is with unconcealed emotion and deep apprehension that I rise to speak in this House of Commons which, for close to a century, so often rang with the voices of so many masters of eloquence sprung from our great Canadian political parties. What immense pride it gives me, however, to discharge such a pleasant duty as moving an address to His Excellency the Governor General of Canada, in reply to the gracious speech, so full of promise for the future of our nation, which His Excellency has been pleased to make to both houses meeting on this solemn and moving occasion of the opening of a new parliament, proudly attended for the first time by hon. members of the new province of Newfoundland whom all

hon. members of the other provinces are glad to see and welcome today.

Seconded by the hon. member for Vancouver South (Mr. Arthur Laing), I have the honour to move:

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

To His Excellency the Right Honourable Viscount Alexander of Tunis, Governor General of Canada and Commander in Chief of Canada:

May it please Your Excellency:

We, His Majesty's most dutiful and loyal 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 Your Excellency has addressed to both houses of parliament.

I now hasten to congratulate you, Mr. Speaker, on your elevation to the speakership of this house. It was a cause of sincere rejoicing for all of us to learn that you were chosen to fulfil such noble and important duties. A better choice would not have been possible and the government deserves our gratitude for having made it. The sterling qualities I know you to possess had destined you for the functions you will discharge. Guardian of the prerogatives of our house, you will, we are sure, guide our debates with dignity and impartiality. I am convinced that all hon. members will strive to ease your task because they trust your uprightness and your spirit of fairness. There are men who exalt the public functions to which they are appointed. You are, like your predecessors, one of those men. If our parliament enjoys so great a prestige it is due to the unquestionable worth of its Speakers. Anything I might add to what I have just said would be a verbal garland which would offend your modesty.

To some people, our constitutional institution may seem antiquated and ridiculous. There are writers who make fun of our parliamentary procedure. Recently I read the following statement made by Sir Herbert Morrison, Lord President of the council, in England:

We must not be mistaken as to the survival of ancient customs and practices. Some say: Such an institution dates back to the "pre-machine" era! It goes back to the feudal ages! It should, at all costs, be adapted to modern needs! I believe they are taking form for substance. Judging by the results, I declare that our parliament is the most efficient instrument in the world, the best adapted to its end. One should see the practical utility of our "anachronisms." Why must all this pomp and panoply accompany Mr. Speaker? Why such extreme deference in word and gesture when addressing him? Why the wig and robes? Why all the bowing before the Chair when entering or leaving the house? Why such courtesy—supposedly out of date—during the debates, when the worst adversary is called an "honourable member," "gentleman of honour," "learned gentleman" or "right honourable gentleman"? Members entering the house for the first time look upon the whole ceremonial as an absurd custom handed down from ancient times. But they very soon realize that it adds greatly to the authority of the presiding officer, is conducive to the maintenance of good order during debates, and exalts the dignity and "esprit de corps" of the house in the eyes of all, both inside and outside parliament.

May I be permitted to say, with regard to this judicious comment, that our well-ordered procedure is the safest guarantee against any form of political, economic or social dictatorship. We must already keep in mind the possibility of a social dictatorship! I hope to have during this session an opportunity of supplying particulars in the language of the majority. I have the most sincere respect for my English-speaking countrymen and the greatest confidence in their desire to achieve Canadian unity of such a strength that we shall be able, without clashes or efforts, to maintain the traditions and the prosperity of our country.

(Text):

If I have insisted on quoting Sir Herbert Morrison at length it is because I believe, as he does, in the supreme value of the institutions which have been transmitted to us through tradition. According to established custom I must address this house in my mother tongue, which is the old French language. I will not quote the British North America Act—although I could—as the basis of my right to use that language. I would rather invoke the established custom to which I have referred, and which does greater credit to our parliament and the country as a whole.

The French spoken in Quebec is not the fancy French spoken by the Parisian. It is the old French of the seventeenth century, which we jealously safeguard, knowing that from the standpoint of basic French it compares with Parisian speech. The knowledge of French acquired in Quebec equals that which could be acquired in France. What notable service would be rendered if we dispelled this legend of Parisian French, which is not a use of words different from ours but is merely a relatively new way of expressing oneself. Whoever reads Molière and then talks to a French Canadian will soon recognize in the latter's conversation words used by the former in writing his immortal masterpieces.

The text from which I quoted Sir Herbert Morrison was written by him in the language which I am using with pride today. I know this pride will be shared by my constituents in particular, and by all French Canadians in Canada, who will be deeply grateful to the Prime Minister for having chosen me, as a representative of an entirely French-speaking constituency, to move in my own tongue the address in reply to the speech of the

Governor General of Canada at the opening of parliament.

(Translation):

We were present yesterday at the opening of the first session of the twenty-first parliament. It is fitting to congratulate our leader, the Right Hon. Louis S. St. Laurent, upon his unprecedented victory. That victory is more personal than political. It is of course due to the fact that he is leading a party whose historical and political role had much to do with the development of our country since confederation, but his superior qualities, his deep understanding of public service, his frankness, his personal dignity have enabled that greatly esteemed and sought-after lawyer of Quebec to enjoy the confidence of the Canadian people to such a degree that today he embodies the entire soul of the nation galvanized in an ideal of peace and social progress. There have been few such examples in the world.

As I said, the right hon. Prime Minister has won a personal victory without precedent in our political history. His victory is also that of the family man, of the devoted husband, of the father devoted to his children, of the loving wife, of the children actuated by the finest feelings towards their father and mother. The right hon. Prime Minister has restored the value of the Canadian home, which is every day the target of renewed assaults. Divorce, separations from bed and board, dispersal of children, hatred between those who had chosen to love each other, abandonment of the paternal roof by children who too easily forget their parents, are endangering the very foundations of civil society and national life.

It is in our own homes that we must learn to acquire the true feelings of brotherly love as the basis of human relations and without which we cannot wish to love our fellows. There can be no international understanding without a natural inclination to love our fellow men. But this will become an impossibility if we let the family be destroyed, if we do not hastily restore in the Canadian home the same spirit and the same love which are found in that of the Prime Minister.

It is an extraordinary lesson of wisdom in our modern times, and a lesson of universal application. Let us note, however, that the evil is more deeply rooted elsewhere than in this country. I trust with all my heart that the lesson shall be understood by our young people. True creative happiness lies within the family. I wish to pay tribute to the right hon. Prime Minister for showing to the whole country the sacred character of the family, which so many known and secret agents are endeavouring to destroy.

The solemn and impressive ceremony which attends the opening of the session of a new parliament should not make us forget those which death has deprived of the fruits of victory. Two of our colleagues, Mr. McMillin and Mr. Michaud, have gone since June 27.

To the condolences of this house, which were so well justified, I wish to add my personal sympathy. Death has taken them, but they shall be remembered.

A great Canadian, the Right Hon. Mackenzie King, will no longer sit among us in this house. Each one of us could have benefited from his long and wide experience. His profound knowledge of the events that have marked Canadian life over the past fifty years would have been most useful to us, when the time comes to examine and solve the national and international problems that will be brought to our attention. May I say to him that his memory will forever live in our minds and that we hold him in such high reverence that he will always be among us. We will pray God every day to keep him in good health that he may for many long years remain among us, who respect and love him. I congratulate the government on the appointment to the cabinet of the representative of Lotbinière, the Hon. Hugues Lapointe, and that of Outremont-St. Jean, the Hon. G. E. Rinfret. The former is the son of the late Ernest Lapointe, with whom I was associated when I first began practising law. The latter is a nephew of the late Fernand Rinfret. Those names are well known in the political field and still fresh in the mind of every Canadian. Both were loyal friends of the Right Hon. Mackenzie King.

Another personality well known to all Canadians will no longer sit among us; I mean Mr. John Bracken. May I assure him that he stills enjoys the admiration of all his fellow Canadians. We all regret his recent defeat. We will long remember his services to our country.

The electors of Nicolet-Yamaska were delighted to learn that the prime minister had chosen their member to move the address in reply to the speech from the throne. Many of them have asked me to express their thanks to the Prime Minister for the honour bestowed upon them.

The constituency of Nicolet-Yamaska is 70 per cent agricultural. Its people are mostly of French descent, its population of 35,000 numbering not more than 300 inhabitants of British or foreign origin. The riding, a flat open country, is watered by three large streams, the Yamaska, the St. Francis and the Nicolet, as well as by four smaller ones.

Forty years ago, the first three were still navigable for several miles. The soil is rich, agriculture being the main industry. Farms are neat while the people are hard-working and honest.

The riding has only one town, that of Nicolet, which is renowned for its religious teaching institutions; among others, mention must be made of the 150-year-old seminary of Nicolet and of the convent of the Assumption Sisters. Since their inauguration, these two institutions have generously devoted themselves to the higher education of the boys and girls of that district.

In my student days, priest teachers, many of whom had attended great European universities, were being paid $100 a year. The sisters of the Assumption are giving hundreds of young girls the very fullest of trainings for no other consideration than the regard of their pupils. Those nuns are in charge of schools in several towns in Ontario. They teach fine arts, literature, mathematics, et cetera. They are training young girls many of whom play important parts in our Canadian community.

Nicolet seminary has produced three bishops now living—Bishops Courchesne, Mélançon and Gagnon—several deceased bishops who are honoured figures in our religious history, several statesmen who have honoured their country and numerous writers who were taught there the art of writing in verse and in prose.

I take pleasure today in paying tribute to the people of my constituency and to those educational institutions, as well as to the many other civil and religious institutions that are building our whole future on the goodness of the earth, love for the land and the poetry of a truly beautiful nature. Farms filled with sunshine and children, a happy, calm and proud people, that is the country we must love and praise. Such is the people the Prime Minister first had in mind when he chose me, among many others better able than I am, to open the deliberations of this house. From a thousand that they were in 1760, our people now number 35,000. Sons have replaced fathers on the ancestral farm and nearly all are direct descendants of the first settlers who as vassals, under the French dominion, occupied the numerous seigniories granted by the King of France and parcelled out of the territory of the former counties of Nicolet and Yamaska.

I should like the government to show more and more interest in the good rural population of this country. A great business man and former president of the Canadian Pacific Railway Company stated in Toronto in 1935, and I quote:

> However, any economic progress, not only in Canada but anywhere in the world, depends essentially upon the development of agriculture which is truly the basis of human civilization.

Family life and agriculture are therefore the two factors best suited to ensure the happiness of mankind, the abatement of strife and the revival of our civilization, which two world wars and a depression have threatened with subservience to those dark forces that would exploit human beings as tools of an all-powerful state.

Dictators have built their forces on fear. They did not concern themselves with politics. Politics is the art of adapting people to constant world changes by means of well-ordered legislation. Democracy consists in using the many and flexible ways offered by the country's constitution to ensure the common weal. The art of government is a difficult one, requiring moderation, caution and wisdom, especially when nations are facing problems which could likely change the course of history and the way of life of the free peoples of the world.

This statement leads me to congratulate the government for the measures it intends to introduce during this session.

Never since confederation has more important legislation been submitted for the approval of parliament. The main portion of it comprises three parts.

1. Abolition of appeals to the privy council.

2. The right of the Canadian parliament to amend its constitution with respect to all matters within its jurisdiction, except in the matter of the constitutional rights of provinces, the use of French and English, and education.

3. Consultation with the provinces with a view to amending the constitution, through a bill passed by the parliament of Canada, as far as their respective constitutional rights are concerned. It is the obvious road that leads to the absolute independence of the Canadian nation. It bears the mark of the Canadianism of our Prime Minister. There will be deep satisfaction in all parts of the country that the government is determined, not to sever historical and constitutional bonds, but rather to put Canada on an equal footing with the leading nations of the world: the United States, Great Britain and France.

Since 1939 the government of our country has made history more than it has indulged in politics, and the present Prime Minister

will be looked upon as the statesman who, more than any other, saw to it that politics be conditioned by the historical and juridical evolution of the country.

With the Statute of Westminster, which goes back only to 1931, Canada received a charter of independence; with the legislation the government intends to introduce, she will obtain the charter of her complete and absolute independence.

The three aspects of the question are closely interlinked.

In the logical order in which they appear in the speech from the throne, the abolition of appeals to the privy council comes first in the form of a bill to be introduced to amend the Supreme Court Act so that the latter will have final and exclusive jurisdiction in all matters. At this point, a brief historical review is in order.

Before 1875 the supreme court did not exist although governments had attempted to create it.

In 1875 the Liberal administration of the Hon. Mr. Mackenzie brought in a bill instituting the Supreme Court of Canada.

The Hon. Mr. Fournier, the then Minister of Justice, indicated during the discussions that abolition of appeals to the privy council might be provided for:

> He would very much like to have a clause inserted stating that the right of appeal to the privy council no longer exists. There were strong reasons in favour of the right of appeal to the privy council, but there were even stronger ones against that right. This right of appeal has been widely used, and he might add considerably abused, in the province of Quebec by wealthy people and corporations so as to force plaintiffs to compromise when they had won their case before the courts of the country. However, as he already stated, he made no mention of this in the bill now before the house, but left it aside for decision on some future occasion.

Sir John Macdonald followed the minister and, after congratulating the government, stated:

> As to the matter of appeals to the Privy Council, he had always been of the opinion that, as long as we remained in a state of dependence, it was important to maintain the right of every Canadian, as of every other British subject, to appeal to the court of highest jurisdiction, although in his estimation such right of appeal was sometimes a means of oppression in the case of a rich man against a poor man, because of the considerable costs involved. It seemed to him that the ruthless abandonment of the right of appeal meant the severance of one of the ties binding this nation to the mother country.

Since that date, the abolition of appeals has been a subject of controversy and it has always been demanded by a large body of public opinion in this country. In 1904 a league organized in the province of Quebec ardently urged abolition of these appeals.

The Hon. Rodolphe Lemieux, member for Nicolet and one of the movers of the address in reply to the speech from the throne in 1896, was an ardent advocate of abolition.

In 1916, the Canadian Senate collected opinions from several legal experts.

In 1938, a direct bill to abolish appeals to the privy council was introduced before the Canadian parliament by Hon. Mr. Cahan.

The Right Hon. Ernest Lapointe, then Minister of Justice, requested closer study of the constitutional and legal problems involved in this important legislation.

In 1939, the matter again came up before parliament in the form of a bill, No. 9, amending the Supreme Court of Canada Act which would give the latter exclusive, final and definite jurisdiction. On April 24, 1939, it was decided to adjourn the debate to refer the constitutional character of the act to the Supreme Court of Canada.

On January 19, 1940, the Supreme Court of Canada declared that the act was constitutional. An appeal was made to the privy council and the decision was confirmed by the latter on January 13, 1947.

During the last session a bill was introduced in parliament for the purpose of granting the public's wish to see Canada at last enjoy supreme authority in legal matters.

Three opinions now prevail among members of the legal profession: The first one is to the effect that the abolition of appeals to the privy council may place the provinces in a precarious position as regards their constitutional rights and powers and the government of Canada cannot give to the Supreme Court of Canada final and exclusive jurisdiction with respect to anything that relates to the matters exclusively attributed to the provinces by the British North America Act.

According to a second opinion, we should maintain appeals to the privy council for the following reasons: (a) the council's decisions are a useful contribution to our common jurisprudence; (b) those appeals are one of the last links which bind us to the empire and their continuance will help us foster better understanding and will help us achieve a higher concept of justice and of the high attributes we give to it.

It is even being suggested that the government absorb the costs when it pleads against a private individual and that certain talented jurists in Canada be made members of the privy council. A third avers that Canada should enjoy full and absolute sovereignty and that its appeals to a tribunal of Great Britain is a vestige of a form of independence which no longer suits our status as an independent nation.

The privy council's decision disposes of these arguments.

Since 1939, the historical evolution of Canada has progressed rapidly.

In September 1939, Canada entered the war, which enabled England to resist the invader after the defeat of France. Our hearts are still echoing with the pathetic words spoken by Churchill when he lauded our war effort. To the immortal glory of our pioneers is added that of Canadian servicemen of the first and second world wars.

At the end of the war, Canada, together with her cousins to the south, pulled Europe out of the squalor of its pitiful and horrible troubles. Then Canada joined the United Nations, annexed Newfoundland, obtained an amendment to her constitution in order to give the province of Quebec representation proportionate to her population. Lastly, on March 15, 1949, the Canadian government signed the North Atlantic treaty as a country enjoying the most absolute measure of sovereignty, under international law.

Such a rapid development in our evolution enables us to fully understand that part of the speech from the throne which reads as follows:

> You will be asked to approve constitutional measures designed to facilitate the attainment of the constitutional limits of our nationhood.

On February 3, 1949, the right hon. the Prime Minister stated:

> A nation which, like Canada, takes pride in its peacetime achievement must assume all the responsibilities of a sovereign state. A sovereign state cannot let the courts of another country have the final say in its litigation.
>
> There is another vestige of our colonial past of which I should like Canada to be freed. You all know that the terms of confederation are written in the British North America Act. This act is the charter of Canadian union, the essential part of our constitution.

This evolution is not directed against any country. It is a natural condition with free people and I find this confirmed in the preamble to the North Atlantic pact:

> They are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law.

A nation's freedom must remain indivisible, if that nation is expected to play its full part in world affairs and promote permanent peace. I submit therefore that Canada, a sovereign country as far as the executive and legislature powers are concerned, should also be sovereign in the matter of judicial powers.

It is quite apparent that Canada must be empowered to amend its constitution, subject to the conditions outlined in the speech from the throne. I congratulate the government for taking the necessary steps. History shall record them as landmarks of our development, a development achieved without a single drop of blood being shed. Wars and revolutions have always brought about changes in the constitution of countries, empires, kingdoms and ancient democracies. Most countries have won their liberty and independence through bloodshed; in Canada, however, liberty and independence are the fruit of wisdom and sagacity, of understanding and good will. Our country stands as a living example of the tolerance, magnanimity and happy outlook needed for the logical development of the universal order of things.

I note with great satisfaction that the government is anxious, in spite of all that has been said during the past few years, to co-operate with the provinces. An examination of the speech from the throne reveals that the government is desirous of avoiding anything that may bring about conflicts between the federal and provincial authorities. It would be useless to work for the maintenance of peace if we cannot, within our own boundaries, come to an understanding in the best interest of our people. The various components that make up our country must combine their efforts to ensure our economic expansion and a greater Canada. Those matters must remain above party politics. True patriotism dictates the policy that should prevail in our internal relations.

The time at my disposal allows only brief consideration of our external relations. We are faced with this dilemma: on the one hand, United Nations; on the other, Russia and the countries under her domination. Then, there is that great bulk of humanity that still does not know, because its political evolution is not sufficiently advanced, in what sphere of influence it will fall or with what group of powers it will freely associate itself. Now that renewed hope has come to Europe, the spectre of war crops up here and there to disrupt international entente. This naturally gives rise to unwholesome anxiety, to unbalanced trade relations. Such a state of things calls for caution. Since the government seems headed in the right direction, we will do our best to support its present policy. This is the price we must pay for our prosperity, our happiness. Caution is less costly than catastrophe.

Development of international trade, marketing of our farm products, appropriate measures for continued prosperity, housing assistance, educational grants, prevention of strikes, social security, health measures, these are the hallmarks of good administration. To increase social security, I would suggest to the government, if I may, that, in so far as our financial means allow, a pension plan be inaugurated

for needy invalids. This would be looked upon favourably by the people of Canada.

Up to the present time, the government has provided for the blind, for the aged, for children; certain provinces grant pensions to needy mothers. The time has come to consider those poor unfortunates who, by accident or by birth, are crippled for life and gaze with sombre melancholy upon the happiness of others. A pension scheme designed to help them would ameliorate their plight. The kindness of the state would atone to some extent for the harshness of life.

Let us keep scientific progress in step with social progress and we shall drive away communism. Communism is the philosophy of despair. Whenever despair takes root in the soul of several individuals, there are men who are willing to change this despair into an instrument of power, provided those who despair are willing to become slaves. There are in Russia ten million forced labourers. Whereas Canada was the first nation to ratify the North Atlantic pact and whereas the Prime Minister was one of the first sponsors of this statute of liberty and security for the peoples of the earth, the communist members in the governments supporting the pact voted against it, in the name of peace. It is by avoiding within our frontiers racial and class struggles, economic chaos, that we will succeed in convincing the communists that, in the words of a French economist:

"Nothing has been found that could advantageously replace liberty as a means of ensuring to everyone the maximum amount of dignity and happiness."

He added:

"Therein lies the real solution of post-war problems, not only in France, but throughout the world."

In order that these things may come to pass, social progress must be as rapid as material advances.

The monthly bulletin of one of the larger Canadian banks contained the following statement:

In spite of all the new means of manufacturing what we need, we have not paid sufficient attention to one need in particular. We have not solved the problem which arises from the thousands of complications which the new way of life has brought into human relationships. Society has not bridged the gap between social needs and social science in the same way as we have bridged the chasm between material needs and physical sciences.

We must address ourselves to the future. We must make plans so that the needs of the future may be satisfied. For our own preservation and that of society and of the human race, we must devote all our energy to useful ends and bear in mind the social implications of our behaviour.

Canada is a democracy governed by a Liberal government. We hope that it will meet the wish of the Canadian people, who want to live in peace as free and happy men under enlightened laws.

The recollection we have of the King and Queen makes all Canadians appreciative of the recovery of His Majesty the King. Our prayers for the restoration of his health have been heard. Praise be to God!

I am quite conscious of not having performed in a manner commensurate with the honour that was done to me the task I accepted with too much temerity.

(Text):

Mr. Arthur Laing (Vancouver South): Mr. Speaker, my first words in this parliament will be to express thanks and appreciation to the Prime Minister (Mr. St. Laurent) and his colleagues for having given me the distinctive honour of seconding the motion for an address in reply to the speech delivered most graciously yesterday by His Excellency the Governor General. I shall be ever mindful that this honour—and, Mr. Speaker, at the moment for me, this tremendous responsibility—is far less a tribute to myself than a tribute to the beautiful province from which I come, and to the people of my riding of Vancouver South.

It is most appropriate that, coming as I do from our most westerly province, I should take this opportunity of welcoming to the parliament of Canada the elected representatives of that great and beautiful province of Newfoundland. I do so in the hope and confidence that they will be happy here and that the province will grow and develop in the atmosphere of freedom and equality that is characteristic of the Canadian family.

This new parliament of Canada chose yesterday a Speaker to preside over its deliberations. Under our parliamentary system the Speaker is not only the first commoner, but is responsible for the preservation of the dignity of parliament as a whole. It was my privilege in the past to have known Mr. Speaker as the hon. member for Brantford City, and from the impressions then gained of his graciousness, wide understanding and deep sincerity, there was no surprise when yesterday his elevation to the speakership was acclaimed in all parts of the house.

To the hon. member for Nicolet-Yamaska (Mr. Boisvert), who has had the senior honour of moving this address, I tender my heartiest congratulations upon his splendid presentation today, tempered and qualified by the envy that is mine at the immense facility with which he used both our great tongues. He is to be congratulated also because he and his riding became the spearhead of the Quebec campaign which resulted on June 27

in an almost unanimous endorsation in his province of the policies of this government and its leader.

It is my good fortune to be among the first in this house to express congratulations to the right hon. Prime Minister (Mr. St. Laurent) and the members of his government upon the unprecedented success of June 27. Many opinions have been given and more will be heard to explain this victory, which is unparalleled in the parliamentary history of this nation. All words will fail, as my words now will fail, to put in proper perspective the supreme position occupied by the Prime Minister, who came to the service of this country upon the tragic and untimely death of another of Canada's giants.

He served with great distinction, first as Minister of Justice and Attorney General of Canada and later as Canada's first Secretary of State for External Affairs. In this latter position he carried Canada's stature and respect among nations to new and impressive heights. On August 7, 1948, he was called to the leadership of the Liberal party by the widest support a national leader had ever received from delegates from all parts of Canada. His record in government had been excellent and indeed the history of all the departments of government he headed has been highly acceptable to the people of Canada. But neither his departmental record nor the general attestation of his government would have availed in such a victory without the monumental characteristics of leadership which he personally displayed.

The Canadian electorate prefers character to incandescence. The Canada-wide tour of the Prime Minister was a personal victory unequalled in the history of Canada, and reminiscent Canadians are called to remember in that connection the great personal magnetism of Sir Wilfrid Laurier. I find it impossible to pay a higher tribute to my leader than to say that the pathway to this House of Commons for so many members who have come here for the first time was the solid foundation of his integrity.

When I refer to our Prime Minister it is easy for me to recall our leader of another day who across the years was the engineer and architect of so much of the road by which we have so safely come. His absence from this parliament will be keenly felt after a distinguished public service dating from 1908. I am of the thought that the senior members of this house will think that the house is not the same without the presence and counsel of the Right Hon. William Lyon Mackenzie King. Hon. members in all parts of the house will rejoice with me that Providence has vouchsafed to him a continuing and even improving health so that he may further benefit the people of this country by putting on permanent record details of the events and the challenges of the tempestuous days in which it was his privilege to serve.

As a British Columbian it is my great pleasure to say a word in merited praise of the minister from my province (Mr. Mayhew). His untiring efforts on behalf of his department in all the provinces of Canada, his zeal for the affairs of people as they are touched by federal policies in all parts of the country, his efficiency and deep integrity of purpose, have endeared him to our people and have greatly enhanced the standard of public service in our country.

We who come to this parliament for the first time from our most westerly province wish to pay our respects to the senior and continuing members from British Columbia who at all times have shown fidelity and diligence in the discharge of their public duties. Permit me to compliment the senior members in all parts of the house who have returned to this high office in the gift of the people. What a remarkable commentary upon personal service and what reassuring evidence of public gratitude it is when in this twenty-first parliament of Canada we can welcome one, in the person of the distinguished hon. member for Quebec South (Mr. Power), who without interruption throughout the years has been a member since the thirteenth parliament. I note that in this parliament we have among us one who first came to the house in 1911.

I should like to express our sorrow at the death of the late Right Hon. Ian Alistair Mackenzie, who had been appointed a senator from British Columbia. We were proud of his life and accomplishments, and we deeply regret his passing. His was a distinguished public service, first in the provincial field and then in the wider sphere of federal affairs. His memorial, more enduring than bronze, is the veterans charter of Canada; his supreme eulogy the deep and abiding friendships which he made. No higher tribute can be paid to our country and to the opportunities it offers for those of ability and perseverance than the story of this Scots immigrant lad who forged to the very forefront in his people's regard.

It is the happy privilege of those who participate in this address to say a few words concerning their own provinces. Our beautiful province of British Columbia is enjoying an era of vast expansion. Industrial development and an equable climate have focused the eyes of all Canada upon our Pacific

shores. Our population has more than doubled since 1931 and the increase since 1941 has been estimated at 400,000.

We have tremendous wealth in forests, mines and fisheries and all three industries, spurred both by demand for their products and by technological advances, have enjoyed great growth. Our agriculture is both unique and important in its diversification. Soft open winters in the coastal areas are ideal for dairying and the overwintering of many seed crops. In our central and northern sections, altitude and latitude combine to produce disease-free seeds of great vitality which command a ready export market as yet not fully exploited.

In the Okanagan valley particularly, where irrigation water is the farmers' gold, but also in the Kootenays, we have established a tree fruit industry and a marketing service whose products, for quality and pack, have become the standard by which all others, imported and domestic, are judged.

Our agriculture is intensive. Hon. members who come from agricultural ridings will catch the importance of my words when I remind them that we have dairy farms in the province of British Columbia where the municipal tax alone is $8 per acre, and in some places irrigation has now reached a cost of $25 per acre; but, as if to make up for these costs, our production is exceedingly high. Local production figures have been recorded in recent years, as to potatoes, of over 1,000 bushels per acre; oats, 150 bushels per acre; and apples, 1,800 bushels per acre. Our provincial government has embarked upon a program of expansion of the industrial and communication services into our hinterlands. Ours is a province in which communication is arduous and costly. The recent announcement of the Prime Minister of his intention to recommend to parliament certain assistance in the extension of the Pacific Great Eastern Railway from Quesnel to Prince George has earned the gratitude of the people of the province of British Columbia.

Our people will rejoice that legislation is being introduced to facilitate, in co-operation with the provinces, the construction of a trans-Canada highway. Nothing so much as a broad highway connecting us will supplement those sentimental threads and economic cords that bind our provinces together.

British Columbia is a province of surpassing grandeur. Our northern park lands, our deep, rich valleys, our lakes and tumultuous waterways, our deeply indented seashores, which combine the qualities of the Mediterranean and the Norwegian fjords, are becoming the mecca of many thousands of tourists. Tourist visitors to the province of British Columbia from outside Canada are expected this year to exceed the total population within the province. If we had opposite us the great congested cities of New York, Philadelphia, Chicago and Detroit, it might well be that the tourist traffic in British Columbia would be our first industry.

We are beginning to see now that what we thought once was our great drawback is in reality one of our greatest assets. Ranges of snowclad mountains feed rushing waters through tortuous and narrow defiles to the sea, to give us the second greatest potential of electric energy in all the provinces of Canada. Vast established industries are looking toward us for sites where low-cost power and all-year shipping facilities provide ideal conditions for manufacturing.

Our blessings have come not unmixed. Indiscriminate development of water power could jeopardize our famous salmon industry, because the upper reaches of our rivers provide spawning grounds for the salmon which create this immense source of wealth. In this connection the superb contribution being made by the engineers and biologists under the direction of the international Pacific salmon fisheries commission should be duly noted and appreciated.

The influx of new citizens has created in all our major centres a demand for housing which, though per capita we have built more houses than any other area of Canada, still greatly outstrips the supply. The people of British Columbia will welcome the announcement that legislation is to be introduced to accelerate the building of new houses in our country.

Our windows look out upon the Pacific; we depend for our prosperity upon our export trade, and we share the concern of all Canadians, in common with the citizens of all western democracies, as to the implications of present currency difficulties. But, Mr. Speaker, we share also the pride of all Canadians in the predominant showing made by the representatives of Canada in the recent discussions concerning these problems. We also share the confidence of the people of Canada that these difficulties can and will be overcome, and we in British Columbia stand behind the policy of the government in seeking multilateral trade so that we can develop our trade in any part of the world with anyone who will trade with us.

The riding of Vancouver South comprises a narrow southern strip of the city of Vancouver running east and west, bounded on the east by the municipality of Burnaby and on the west by the Musqueam Indian reservation, inhabited still by a number of Indians

whose forebears gave Simon Fraser considerable trouble in his explorations of 1808. Vancouver South holds the distinction of being the electoral district with a larger number of home owners than any other electoral district in the Dominion of Canada. It slopes towards the sun, and intense pride of ownership is indicated by beautiful boulevards, well-kept homes, and artistic surroundings. Commendable civic foresight has provided many and large public park facilities throughout the entire area.

On the south the riding is bordered throughout its entire length by the north arm of the Fraser river. This arm of the Fraser river is a narrow and shallow stream, but it is carrying today a volume of water traffic second only to the St. Lawrence among Canada's natural waterways. Great lumber mills, plywood and sash and door factories, furniture industries, and all the activities allied with lumber, line its banks for miles.

This stream knows nothing of the majestic deep sea steamers, but it is the home of the towboat, the little work horse of the sea. New industries of all kinds are being attracted to the area, which is the most rapidly expanding section of our city. Last year more than 800 million board feet of logs and lumber came into the river, and products in excess of a value of $46 million were transported on its narrow surface.

But more interesting than the industries of Vancouver South are its people. In the older residential districts are the homes of industrialists and members of the various professions. The newer districts have seen extensive building to provide homes for merchants and those engaged in our nearby industries. We have in our riding over 8,000 voters of German ethnic origin, very few of whom came to us from their homeland. We have sturdy sons from the lands of the Croats, the Serbs and the Slovenes. We have many independent and vital people of Ukrainian origin. We have some Chinese, and we have some Hindus. All these people came to us in search of economic and political freedom, and some of them came to us in search of freedom to worship their God. In many cases they had fought, in the lands from which they came, a losing battle against tyrannies and despotisms of various kinds, and they may be depended upon to stand shoulder to shoulder with us against the encroachment of despotism here, and in the preservation of those things which eternally matter to a nation and its people. Not alone in independence, but in their culture, too, they are bringing enrichment to us.

This is the economic pattern and this the social mosaic that is Vancouver South. More than that, it is the tapestry that is Canada. Our strength is our diversity. The contributions of our people in the arts, in science, in technology and in culture are the sum total of all the pages of man's history. Our social alchemy is producing pure gold. Among all our people there is one common objective, the hope and aspiration of those who dwell on the farmsteads that slope to the St. Lawrence, of those who live in the land of Evangeline, of those hardy souls who sail forth to the Grand Banks, and of those who till our western plains. Their chief objective, indeed their one objective, is that in peace and security they may have the right to make the most of their individual lives.

Probably this world will never free itself from troubles. Twice in one generation our young nation has seen the rugged finger of sacrifice point the way, and twice Canada has answered. Old discords lie in uneasy sleep, and the far-off thunder of new discords is already heard. Our generation finds itself in the travail of working out a reasonable compromise between two opposed ideologies. The first places complete personal liberty and absolute freedom of independent action, with no restraint, as its goal for the happiness of mankind. At the other extreme are those who would concentrate all power in the state, on the assumption that if men of evil with concentrated power could bring evil upon the world, then men of good will could produce only good. Both extremes fail to heed the oft-repeated warning that power corrupts, and absolute power corrupts absolutely.

This is the current crisis to which mankind, in its groping, has come. The contest is raising new frontiers. They are frontiers that are less and less nationalistic or of creed. They are frontiers being raised in the hearts and minds of men everywhere. Extremism has had its victories, only to find its people either in ashes or in chains. How strange it is that we should continue to debate the feasibility of a middle way. We in Canada are the middle way; and to those who conjure up in their minds dangers of sweeping political victories, let me suggest a study of Liberal faith. We have no fixed boundaries. The party to which I have the honour to belong is a social journey, not a political destination.

In our national life there are certain fundamental credentials which elevate and advance. They are the same articles of faith that create character in the individual. They direct that we shall accept our responsibilities and keep our word. Our nation's contribution to the cause of free men everywhere during two wars, and its efforts to restore mankind afterwards, make her the admiration of every other country and the envy of

most. Our resources are vast; our technologies in the forests, in the mines and above all in the air, are nothing short of superb. Our people are wise, and of good heart. Their continuing fidelity will ensure success in attaining that prime objective of humanity, which is human happiness expressed in its widest interpretation.

On motion of Mr. Drew the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. St. Laurent: As was understood yesterday afternoon, I move that the house do now adjourn.

Motion agreed to and the house adjourned at 4.40 p.m.

APPENDIX

BRITISH NORTH AMERICA ACT—PROCEDURE IN AMENDMENTS

LETTER FROM PRIME MINISTER TO PREMIERS OF PROVINCES OTHER THAN QUEBEC

Office of the Prime Minister
Ottawa, September 14, 1949.

The Honourable Leslie M. Frost, M.L.A.,
Premier of Ontario,
Toronto, Ontario.

My dear Premier:

For some time the government has been giving consideration to devising a satisfactory means of removing the necessity, on every occasion on which an amendment to the British North America Act is required, of going through the form of having the amendment made by the parliament of the United Kingdom. It does not accord with the status of Canada as a fully autonomous nation that we should be obliged to have recourse to the parliament of another country, however close our association with that country, to determine our own affairs. Moreover, it has been made increasingly clear to the government that the parliament of the United Kingdom has no desire to perpetuate the existing anomalous situation any longer than is absolutely necessary.

Before the recent election I stated on several occasions that it was the view of the government that a method should be worked out to amend our constitution in Canada, and that any such method should include the fullest safeguards of provincial rights and jurisdiction, and of the use of the two official languages and of those other rights which are the sacred trust of our national partnership.

I stated also that it was the intention of the government, after the election, to consult the provincial governments with a view to working out a method of amending the constitution in Canada, which would be satisfactory to all Canadians.

My colleagues and I recognize that the working out of a satisfactory method of making all kinds of amendments will not be easy, and the government has accordingly decided to submit to our parliament, at the forthcoming session, an address requesting an amendment of the British North America Act by the United Kingdom parliament which would vest in the parliament of Canada the authority to amend the constitution of Canada but only in relation to matters not coming within the jurisdiction of the legislatures of the provinces, nor affecting the rights and privileges of the provinces, or existing constitutional rights and privileges with respect to education and to the use of the English and French languages.

Such an amendment would give the Canadian parliament the same jurisdiction over the purely federal aspects of our constitution that the provincial legislatures already possess over the provincial constitutions, while giving both to provincial rights and jurisdiction and to the historic rights of minorities an express assurance of legal protection which we feel they should have.

We recognize that amendments may be required from time to time in the national interest of those provisions of the constitution which concern both federal and provincial authorities, and that it would be desirable to devise a generally satisfactory method of making such amendments in Canada whenever they may be required.

The federal government would appreciate the opportunity of consulting with the governments of all the provinces on this matter in the manner most convenient to the provincial governments, at an early date after the conclusion of the forthcoming session of parliament. If the provincial governments should desire, meanwhile, to have a preparatory conference of constitutional experts, we would be ready to have federal officials participate.

Our aim is to reach agreement, as soon as possible, on a method of amendment which will relieve the United Kingdom parliament of an embarrassing obligation, and establish within Canada full and final responsibility for all our national affairs.

To this end we are inviting the co-operation of your government and the governments of all the other provinces of Canada.

Yours sincerely,

Louis S. St. Laurent

LETTER FROM PRIME MINISTER TO PREMIER OF QUEBEC

Bureau du Premier Ministre
Ottawa, le 14 septembre 1949.

L'honorable Maurice-L. Duplessis,
Premier ministre
de la province de Québec,
Hôtel du gouvernement,
Québec, Qué.

Mon cher premier ministre,

Depuis quelque temps, le gouvernement cherche à trouver un moyen satisfaisant d'éviter la formalité nécessaire, chaque fois qu'il est besoin d'amender l'Acte de l'Amérique du nord britannique, d'avoir à s'adresser au Parlement du Royaume-Uni. Si étroite que soit notre association à un autre pays, le fait que nous soyons obligés de recourir à son Parlement pour décider de choses qui nous concernent en tant que nation, ne concorde pas avec notre statut de nation autonome. Du reste, il est devenu de plus en plus évident au gouvernement que le Parlement du Royaume-Uni ne tient pas à perpétuer plus longtemps qu'il n'est absolument nécessaire, l'anomalie de la situation actuelle.

Avant les dernières élections, j'ai déclaré en maintes occasions que le gouvernement était d'avis qu'il était opportun d'élaborer un mode d'amender au Canada notre propre constitution et que tout procédé à cet effet devrait comporter les garanties les plus formelles pour la protection de la juridiction et des droits provinciaux, ainsi que de l'usage des langues officielles et des droits qui sont le dépôt sacré de notre unité nationale.

J'ai aussi déclaré que le gouvernement avait l'intention de consulter, après les élections, les gouvernements provinciaux afin de trouver un procédé acceptable à tous les Canadiens, par lequel le Canada pourrait amender sa propre constitution.

Nous reconnaissons, mes collègues et moi, qu'il ne sera pas facile de trouver un mode satisfaisant et général d'amender notre constitution; en conséquence, le gouvernement a décidé de soumettre à notre Parlement, à la prochaine session, une adresse priant le Parlement du Royaume-Uni de conférer au Parlement du Canada le droit de modifier la constitution du Canada, quant aux affaires ne rele-

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vant pas de la compétence des législatures des provinces, et ne touchant pas aux droits et privilèges constitutionnels des provinces, ni aux droits et privilèges actuels en matière d'éducation, ou relatifs à l'usage des langues française et anglaise.

Un tel amendement accorderait au Parlement canadien, sur les aspects purement fédéraux de notre constitution, la même juridiction que possèdent déjà les législatures des provinces sur la constitution provinciale, tout en donnant à la fois à la juridiction et aux droits provinciaux, ainsi qu'aux droits historiques des minorités, l'assurance explicite d'une protection légale qui, à notre sens, devrait exister.

Nous reconnaissons qu'il est possible qu'il faille, de temps en temps, dans l'intérêt national, amender des clauses de la constitution qui intéressent à la fois les autorités fédérale et provinciales, et qu'il importe de trouver un mode généralement acceptable de faire au Canada de tels amendements lorsqu'ils s'avéreront nécessaires.

Le gouvernement fédéral serait heureux d'avoi l'occasion de consulter, de la façon qui leur con viendrait le mieux, les gouvernements de toute les provinces sur cette question, aussitôt que pos sible après la clôture de la prochaine session d Parlement. Si, entretemps, les gouvernements pro vinciaux trouvaient opportun la convocation d'un conférence préparatoire d'experts en matière cons titutionnelle, nous serons prêts à y participer.

Notre but est d'en arriver aussitôt que possibl à une entente sur le mode d'amendement qui li bérera le Parlement du Royaume-Uni d'une obli gation embarrassante, et donnera au Canada plein et entière responsabilité sous tous les aspects d notre vie nationale.

A cette fin, nous serons heureux d'avoir la co opération de votre gouvernement et des gouver nements de toutes les autres provinces du Canada

Votre bien dévoué,

Louis-S. St-Laurent

HOUSE OF COMMONS

Monday, September 19, 1949

The house met at three o'clock.

S.S. "NORONIC"

DESTRUCTION BY FIRE ON SEPTEMBER 17—STATEMENT AS TO INVESTIGATIONS

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker, I should like to refer to the very unfortunate disaster which occurred in Toronto on Saturday morning, September 17, when the Canada Steamship Lines S.S. *Noronic* took fire at her berth, with a loss of life reaching well over 125, according to latest reports. I understand that all the passengers have not been accounted for, and the list of persons missing over and above those whose bodies have been recovered stands at approximately 70. I am sure that all the members of this house will join with me in extending to the families and relatives of those who have lost their dear ones our most sincere sympathy in their hour of grief.

The passenger list of S.S. *Noronic* was made up of nearly 500 United States citizens and some 20 Canadian citizens. It is deplorable that such an accident should have occurred where loss of life affects so many families of our friends in the United States, and I am fully conscious of their sorrow and tribulation in the fate of their next of kin. I would like to pay tribute to the authorities of the city of Toronto for the magnificent way in which they marshalled their various emergency organizations to give assistance in connection with this tragedy and to alleviate, as far as is possible in such circumstances, the physical and mental burden of those afflicted.

As soon as the extent of the tragedy became known, I immediately appointed Captain W. N. Morrison, supervising examiner of masters and mates, Toronto, to hold a preliminary inquiry under the provisions of the Canada Shipping Act. He will be assisted in his duties by Captain G. L. C. Johnson, assistant to the supervisor of the nautical division here in Ottawa. The inquiry was started this morning in Toronto. Also under the provisions of the Canada Shipping Act I have appointed Hon. Mr. Justice R. L. Kellock, of the Supreme Court of Canada, to act as commissioner in a formal investigation which will be proceeded with as soon as it is humanly possible to get it under way.

I would like to inform the public in both the United States and Canada that I examined the report of the steamship inspection of S.S. *Noronic* and found that the vessel had complied with the steamship requirements of the Canada Shipping Act. On April 23 the master of the ship was given his certificate authorizing him to operate the vessel on the great lakes and connecting waters, carrying up to 600 passengers and 200 of a crew. This certificate is issued after it has been found that the engines, boilers, fire extinguishing equipment and life saving apparatus are operating efficiently and in accordance with the act. The report also indicated that the owners had installed a new fire alarm system. The certificate issued by the steamship inspection service of the Department of Transport is recognized by the United States coastguard service. I am also advised that when the S.S. *Noronic* called at a United States port early in the navigation season, a representative of the United States coastguard inspected the ship, and as he was satisfied with the condition of the ship, he likewise issued a certificate under the provisions of the United States act. I think I should state that the owners of the vessel had complied with the requirements of the Canada Shipping Act and of the United States coastguard inspection service in so far as it applied to Canadian ships.

This terrible disaster is of such gravity that it has been considered advisable to appoint a justice of the Supreme Court of Canada to hold an inquiry. As the investigation will be proceeding immediately, it would be improper for me to make any further statement at this time. However, the inquiry will be a public one at which all the facts will be fully disclosed, and if there is any blame or negligence on the part of anyone, it will be brought to light.

Mr. T. L. Church (Broadview): I should like to ask the minister one question. Why is not the inquiry into this terrible disaster in one of our harbours, to a guest ship which had rights and privileges not allowed to our Canadian shipping, being held under the Inquiries Act rather than by officials of the department?—because that is what it is. It is in the public interest that the investigation should be under the federal Inquiries Act.

S.S. Noronic

I suggest also that the minister should ask that services be held in our churches next Sunday to express our sorrow at the disaster and our appreciation of what we owe to the people of the United States.

Mr. Chevrier: I wonder if the hon. member was able to hear the statement I made about the appointment of a commissioner under the Canada Shipping Act. Such a commissioner has the same power as a commissioner appointed under the Inquiries Act.

Mr. Church: The investigation should be under the Inquiries Act. It would be a much wider investigation than one made under the Canada Shipping Act. I know the minister is not to be blamed for everything—far from it; but a royal commission should be appointed. There should not be merely an inquiry by officials of the department.

Mr. Chevrier: The Canada Shipping Act provides for both a preliminary and a formal investigation, and both are being carried out in this case.

Mr. Fraser: Has consideration been given to compelling passenger ships to use flash- or fire-resistant paint in the interiors instead of ordinary oil paint?

Mr. Chevrier: The steamship inspection branch of the department has given consideration to that from time to time. I understand that in the United States, following the disaster to the *Morro Castle*, consideration was given to the passing of regulations to that effect.

Mr. Fraser: Is it not compulsory?

Mr. Chevrier: So far as I know, no such regulations have been put into effect in this country.

Mr. Fraser: I think the minister should put them into effect.

NORTH ATLANTIC COUNCIL

COMMUNIQUÉ WITH RESPECT TO PROCEEDINGS OF FIRST SESSION—ESTABLISHMENT OF DEFENCE COMMITTEE

Hon. Brooke Claxton (Minister of National Defence): Mr. Speaker, as the Secretary of State for External Affairs (Mr. Pearson) told the house on Friday, September 16, the first meeting of the North Atlantic council was held in Washington on September 17. The council approved a communiqué which I now have the honour to table. Because of its importance and interest I believe it would meet the wishes of hon. members if it were printed in *Votes and Proceedings*.

At its first meeting on September 17 the council also established a defence committee in accordance with article 9 of the treaty. This defence committee will be composed of the defence ministers of all the signatory states. It is expected that the first meeting of the defence committee will be held at Washington on October 5.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

Hon. Stuart S. Garson (Minister of Justice) moved for leave to introduce Bill No. 2, to amend the Supreme Court Act.

He said: Mr. Speaker, the main purpose of this bill is to create in the Supreme Court of Canada ultimate exclusive appellate jurisdiction by abolishing appeals to the privy council and making the judgments of the Supreme Court of Canada final and conclusive.

Mr. Church: You mean statutory appeals only, and not appeals of grace to the King, which cannot be abolished; but the bill does not say so.

Motion agreed to and bill read the first time.

PUBLIC WORKS

POST OFFICE BUILDINGS—WINNIPEG AND PETERBOROUGH

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to ask the Minister of Public Works whether construction of the new general post office in Winnipeg will be undertaken soon.

Hon. Alphonse Fournier (Minister of Public Works): I shall look at the file and tell my hon. friend exactly where the matter stands.

Mr. Fraser: When the minister is looking that up will he also find out and tell me when he is going to start the one in Peterborough?

TRANS-CANADA AIR LINES

REMOVAL OF OPERATING HEADQUARTERS FROM WINNIPEG TO MONTREAL

On the orders of the day:

Mr. William Bryce (Selkirk): I should like to direct a question to the Minister of Trade and Commerce. In view of the repeated representations that have been made to me by my constituents about the transfer of T.C.A. personnel from Winnipeg to Montreal, will the minister be prepared to make a statement in the near future?

Right Hon. C. D. Howe (Minister of Trade and Commerce): I shall be glad to obtain the required information from Winnipeg and make a statement in due course.

IMPERIAL OIL LIMITED

QUESTION AS TO ROUTING OF PROPOSED PIPE LINE

On the orders of the day:

Mr. W. Ross Thatcher (Moose Jaw): Mr. Speaker, I should like to direct a question to the Minister of Trade and Commerce. Has the government received any representations from western Canada asking that Imperial Oil Limited be directed to build its oil pipe line through Canadian territory to Port Arthur instead of south to a terminal at Superior, Wisconsin? Has the government considered the matter, and if so, has a final decision been reached?

Right Hon. C. D. Howe (Minister of Trade and Commerce): I have received representations from Fort William and Port Arthur, as well as from a number of surrounding municipalities. I should like to point out, however, that, by virtue of the pipe lines bill which was passed by the House of Commons at the last session, all jurisdiction over the routing and location of pipe lines was placed in the hands of the board of transport commissioners. The board held hearings at which representations were received from the lakehead, and a decision of the board has been rendered approving the route as filed by Imperial Oil Limited.

Mr. Thatcher: Has the minister issued a licence to this particular company to export oil?

Mr. Howe: Yes. The Department of Trade and Commerce, as a matter of ordinary routine, has issued a licence under the Electricity and Fluid Exportation Act, which permits the company to export oil for reimport into its refinery at Sarnia.

Mr. Thatcher: Then the decision is final.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Friday, September 16, consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, first of all I wish to extend my warmest congratulations to the Prime Minister (Mr. St. Laurent) on his elevation to the position he now occupies. No higher honour can come to any Canadian than to be chosen, by the free decision of the people of this country, for the high office of first minister. As I said on another occasion, he has every reason to be satisfied with the decisive support he has received from every part of Canada. No matter how much many of us may have wished that the results had been somewhat different, I sincerely extend to him my best wishes for his health and happiness in carrying out the heavy responsibilities of his great office. Whatever differences of opinion there may be from time to time as to the way in which the business of our country should be carried on, I am sure there will be general agreement that he will occupy that office with distinction, and with credit to himself, his race, his profession, and the historic party which he leads.

No matter how much some of us may have preferred to see a different disposition of the seating arrangements in this chamber, we can all sincerely thank God that we do live in a country in which decisions of this kind are made by a free people, who will be equally free to make other decisions on other occasions in the future.

I wish also to extend my congratulations to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the motion now before us—and I do so, Mr. Speaker, not as a matter of mere formal expression. Each discharged in an able manner the responsibilities delegated to him, and each expressed that pride in the particular part of Canada he represents, which is in itself a source of strength to the whole nation. No matter what party we represent—and most certainly that representation is overwhelmingly one way—we do collectively, by the choice of the electors, represent all the people in every part of Canada. They have made their decision, and we are gathered here to do the business of those people, who are fully represented by those who sit in this House of Commons. It will certainly add greatly to the strength of Canada as a whole when every member has the feeling of pride and affection for the constituency he represents which was so unreservedly expressed and so well exemplified in the words of the mover and the seconder of this motion.

May I say something at this point about the announcement made a few moments ago by the Minister of Transport (Mr. Chevrier). As leader of the opposition I wish to join with him and with the other members of this house in expressing deep regret not only that such a dreadful tragedy should have occurred, but also that it should have involved so many of our friendly neighbours who visit Canada in large numbers and whose constant movement back and forth is one of the factors contributing to the deep understanding which exists between the two countries.

The announcement that inquiries are already under way to determine the cause of the disaster will undoubtedly be reassuring. They will serve the purpose of determining in what way the repetition of such a calamity may be prevented. It would be unfortunate

indeed if there were any fear on the part of those using our lake ships that such a tragedy might occur again. Undoubtedly it will be conducive to the continued use of the many ships which carry visitors to Canada, as well as our own people, to know what steps will be taken following the inquiry to strengthen the various legislative measures which provide protection to travellers.

Perhaps a reason for special precaution in connection with ships which are primarily for summer use is the fact that their crews are not associated with them during the whole year. Without any suggestion that every member of the crew did not completely perform his task, it would seem that some special supervision might be required of ships which start their services in the early part of the summer and continue for only a few months, to ensure that every member of the crew has a knowledge of safety standards and the handling of passengers. In making these remarks, I do not feel that I have transgressed the boundaries which are imposed by the fact that an inquiry is now under way by one of the most eminent jurists of the country.

It is only natural that in the speech from the throne there should be little that is new, because, although this is a new parliament, a session at this time is necessary only because the business of the house had not been finished at the time of dissolution. It will be a pleasing and unusual novelty that nearly all —though certainly not all—the statements in the speech from the throne will receive the support of most members of the house. Those that are new are referred to so briefly and in such general terms that they can be much better discussed when legislation is introduced which will set forth in exact terms what the government has in mind. This is particularly true of the reference to procedure for changing the constitution. I am sure that every hon. member of this house will warmly approve the proposal to consult the provincial governments in regard to the procedure by which amendments to our constitution should be made. There is some suggestion, however, that this consultation will relate only to that part of the procedure which would affect limited fields of provincial jurisdiction. I earnestly hope that there will be consultation with the provincial governments before any proposal is put forward to settle the procedure for the amendment of our constitution.

That constitution is necessarily one and indivisible. In a great many instances the borderline between national and provincial jurisdiction is not too clear. This is perfectly natural. The constitution was framed at a time when many of the most important activities of this country had not even taken form. For this reason many of the appeals to the privy council have been for the purpose of determining whether a particular subject fell within the national or the provincial field of jurisdiction. This being so, I urge the government not to make an attempt to draw a distinction between a national and a provincial authority in any of those doubtful areas, or, in fact, to take any step which would have the effect of changing our constitution, without first consulting the provincial governments and obtaining their views. Under any federal system the procedure by which amendment to the constitution is to take place, and the determination from time to time of the expanding responsibilities of all governments, are of the utmost importance. It is not so much a question of who has the power or who has the authority; it is a question of how this can best be done. Agreement as to the procedure is of particular importance in Canada because of the special circumstances under which the provinces joined to form one nation.

As the details are not before us, it will be more satisfactory to discuss this subject when the legislation is before us; but once again I urge upon the government the importance of consulting the provincial governments before this parliament is called upon to make any decision which would have the effect of changing our basic constitution. There never was a time when the avoidance of any possible misunderstanding in regard to a matter of this kind was of more importance to the future of this country than it is today.

One subject referred to in the speech from the throne is of paramount importance. There is a brief reference to the currency situation. The real problem is, of course, world trade and the necessity for finding satisfactory means by which the currencies of different countries can be used effectively for the purposes of international trade.

The past week has in many ways been the most eventful since the end of the war. A week ago today the conference between the foreign and finance ministers of Canada, the United Kingdom and the United States terminated in Washington. From Tuesday to Friday representatives of forty-eight member countries attended meetings of the international bank and monetary fund. While many subjects were under consideration, it was obvious that the primary subject was the closing of the dollar gap. On Saturday the foreign ministers of the twelve countries in the Atlantic pact took steps to organize the Atlantic pact council. Yesterday Great Britain announced the bold and generally unexpected decision to change the value of the pound for the purposes of international trading from $4.03 to $2.80. Each of those events was directly related to the other, and each had

an impact upon the other. Each will have a profound effect on the future of all free nations of the world.

When the ten-point recovery plan was announced at the end of the Washington conference it was difficult for those who were gaining their information from the press and the radio to find reasons for the optimism expressed by those who had attended the conference. Important though the decisions were, and gratifying though it was to see a unanimous plan of this kind produced, the ten points put forward did not seem to solve the really fundamental problems, and some of them would in any event take many years to work out. It is now apparent that the confidence expressed related to the fact that the decisions of those attending the conference were to be followed by a revaluation of the currency in many countries for the purposes of international exchange.

This is at least a first step on the road towards flexible international exchange which will facilitate free movement of goods and commodities from one country to another under normal trading practices. It does seem clear that the international value placed on the pound sterling is an attempt to estimate the actual present value of the pound in international trading. It is to be hoped that this is merely the beginning of a more flexible procedure, and some measure of continuing adjustment to actual international exchange values, as was intended when the world bank and the international monetary fund were set up.

Quite apart from any detailed results which may flow from the A.B.C. conference, as it has already come to be called, there was one great achievement which will undoubtedly bring satisfaction to everyone; its importance cannot possibly be overestimated. There is no doubt that the efficacy of the Atlantic pact rests upon the economic strength of the nations who have joined together in order to preserve peace. Their unity depends, however, upon something more than trade and economic stability. It depends also on mutual good will, friendship, and understanding. There is no escaping the fact that during the latter weeks of the summer there had been alarming suggestions of increasing friction between the United States and Great Britain, growing out of the economic problem. I am not suggesting that there was any evidence of friction between the governments, but there certainly was some reason for concern about the increasing misunderstanding between many of the people in those two countries. If this friction had become a reality, it might have threatened the whole future of the North Atlantic pact, because the wholehearted friendship of the United States and Great Britain is the very foundation of that great fellowship.

Much has been accomplished, and undoubtedly now that the facts are more fully known it certainly will be agreed that more has been accomplished than was originally thought; but if nothing else had emerged from the Washington conference which terminated a week ago than the clear evidence of harmony and good will among Canada, Great Britain and the United States, that meeting would still have been a very great achievement at this particular time. In bringing about this measure of friendly understanding of their mutual problems, Canada's representatives played a part which will, I am sure, meet with the approbation of Canadians generally in every part of the country.

It is important that we remember, however, that dramatic and far-reaching as were the decisions announced yesterday, and important though the decisions may be that will be announced by the Canadian government later today, this is only the beginning of the solution of our major problem, gratifying as the steps already taken may appear to be. Although the government of the United Kingdom expresses confidence that the revaluation of the pound will greatly expand Britain's export trade, the problem still remains of finding a way in which Britain and the other sterling countries can purchase our products. Undoubtedly the intention and the hope in this decision is that this change will make it possible for Britain to export more dollar-earning goods. But still dollars must be earned, and therefore it is only the first step and not the ultimate solution of the problem itself.

Much of what Britain has been buying from us had depended upon the availability of ECA funds. It is expected that those funds will no longer be available after 1952. In the meantime the amount available is steadily diminishing. It is not to be expected that the United States, enormous though their production power may be, can long continue to assume the tremendous international burden which they have assumed during the years since the war. Therefore everything that is now done, every plan that is now examined and considered, should in caution be based upon the assumption that the funds will no longer be available after 1952, and that in any event a diminishing amount of these funds will be available for purchases in Canada by Marshall Plan countries.

There has been a tendency for Canadians to feel that this is a problem remote from us, that it is a problem affecting Great Britain alone, and that we can stand back and hope

to see them find a solution to their own problem. But we Canadians are not on the sidelines. This is not merely a problem of dollar shortage in Great Britain. We must sell in the export markets of the world if we are to survive. Our economy is a delicate and very highly specialized one. No other country has greater opportunities for the future than we have to sell our goods in the markets of the world. No other country has greater concern about the solution of this problem, which, as I said before, is not a problem of dollars, but a problem of world trade. It is a problem that affects us almost as directly as it does the people of Great Britain. If Britain is short of dollars, then we lose our established market for a very large part of our products of the farms, the forests, the mines and the sea.

It cannot be repeated too often that jobs on the farm, in the factory, the forest, the mine or anywhere else in Canada depend upon trade and the money which comes from that trade. There is only one sure solution of our problem, and that is to bring about as soon as possible an interchangeability of currency which will give us the widest possible markets, not only in Great Britain but throughout the whole sterling area. The revaluation of the pound and other European currencies marks a vitally important step in the history of the economic problems of the past few years. The next step, and one which the Canadian government should explore in every possible way with the government of the United Kingdom, is to find some means by which the Canadian dollar and the pound may be freely interchangeable. This is no suggestion outside of the realm of practical international exchange or operation. It was the clearly stated intention of the international monetary fund. Every effort should be directed toward the taking of that second step, which is quite as important in its ultimate results as the first.

There has been a tendency to look upon increased exports to the United States as a satisfactory substitute for exports to Great Britain and other countries overseas. I am sure that all Canadians want to see exports to the United States increased to the highest possible level. One thing we must remember, however, is that the whole system of transportation and distribution is designed to handle an enormous overseas trade. Our railways, our seaports, our shipping, and all the many services associated with them, as well as the municipal organization of the seaports themselves, depend upon continued trade overseas. There is no more important task facing the government than that of taking such steps as will ensure the maintenance and expansion of that overseas trade. Primarily this means trade arrangements, through some adjustment of the financial problem, with Great Britain; because the solution of the exchange problem with Great Britain will carry with it the solution of the exchange problem throughout the rest of the sterling area.

There is an added reason why a solution to this problem must be found. Competition is becoming keener every day. Many products which we have been able to sell almost without competition since the end of the war must now be sold in competition with the products of countries which are rapidly restoring themselves to pre-war levels of production, or even higher.

It is necessary for Canadians to remember that there are two nations which present a very real question mark in this whole matter, namely, Germany and Japan. Now that western Germany has been established as a nation, there will be increasing insistence upon their right to trade freely with other nations. The Germans have great industrial skill. The world has had much too tragic evidence of that fact to make any emphasis of it necessary. Already a number of their products are being sold in Canada. It is difficult to see how Germany can be excluded from some measure of free competitive trading, unless she is to be held down to a point which might encourage the spread of communism, which the western powers are trying so hard to prevent. Undoubtedly this will be a problem calling for the utmost wisdom on the part of those who are supervising the rebirth of what, it is hoped, will be a free and democratic German nation.

All these remarks would apply with almost the same force to Japan. We had evidence of Japan's great industrial skill. Small though it may be, the products of that country are beginning to re-appear in Canada. They too have a very high degree of skill. In years gone by they demonstrated their willingness to put every effort into export trade; and if they are given an opening to the markets of the western world, undoubtedly they will sell at prices which will make competition increasingly strong.

Then there are the great industrial nations of Europe. Although Czechoslovakia is behind the iron curtain, she is selling to the western world; and we know that she too has high industrial skills. Czechoslovakia, so long as she is permitted to sell to the western world, will provide extremely keen competition.

It seems to me all this points to the fact that as soon as possible we must get ourselves out of the strait-jacket of controlled international trading. If we are to meet the kind of competition growing up in the sterling area; if we are to meet the kind of competition emerging from the revitalization and

recovery of so many of the industrial nations devastated by war, we Canadians, who have demonstrated our ability and our skill, must be free to go out and meet that competition by vigorous and effective salesmanship, as we have done in the past. We have the very best of natural products. Nature has endowed our soil with qualities which give us special advantages in many types of production. Canadians have demonstrated their industrial skill; and I should think there is a general belief that Canadians can sell against any type of competition if their salesmen are free to go out and sell by ordinary selling methods.

Now that the first step has been taken by so many countries to make international currency an effective vehicle for promoting international trade, I urge the government to do everything in its power to find a way of taking the second step, at least so far as Canada is concerned, within the sterling area.

I am sure every hon. member will hope that the bold decision taken by the British government will bring the results they expect. To a very great extent the whole problem has resulted from the enormous sacrifices made by the people of Britain in two world wars. Canada stood beside them in both those struggles for the freedom of all mankind. But because there was a wide ocean between us and Europe, we did not in the same way feel the direct physical impact upon our soil. It may sometimes be forgotten that the only nation in the world outside Germany which felt the full physical impact of those two wars was Britain. And Britain has paid an enormous price for its contribution to the survival of freedom.

This country has demonstrated in many ways its sympathy with their situation, and its willingness to assist Britain in meeting its problems. No matter what hon. members may feel about the details of the procedure to be followed, I am sure all of them will hope that Great Britain, as a result of the steps she has taken, will be in a position to meet the problems which lie ahead.

It is not my intention to move an amendment—and not only because it would obviously be defeated by an overwhelming vote. After all, the voting strength of the government is not the factor which determines the duties of the opposition or influences the introduction of an amendment seeking to express a certain opinion and to call for an expression of opinion by hon. members of the house. The truth is that rarely indeed has any government in Canada been in such a commanding position to carry its own motions. This government has just had a decisive vote of confidence from the people of Canada. For that reason I believe the introduction of an amendment would serve no useful purpose. Perhaps I may be permitted to add, however, that the introduction of amendments during the present session will not be influenced by the fact that we may well anticipate what the nature of the vote may be.

By the very size of its majority in the house, the government has assumed a great trust and a great responsibility. Because of the mandate so freshly given to it to speak on behalf of the people of Canada, the government is in a most favourable position to participate in the international discussions that are taking place. I hope this great trust and responsibility will be carried out in the best interests of the people of Canada.

Under our democratic system, the opposition, too, has a great trust. We will fulfil that trust to the best of our ability. It is in that sense that we will take our part in the debates of the house—not only as the representatives of the 1,742,000 Canadian voters who supported the Progressive Conservative party, but also with a realization of the responsibility, which I am sure is shared by all members of the opposition, of all parties, to demonstrate that our people in Canada do not believe in a one-party system, and that a vigilant, vigorous and effective opposition is an essential part of our Canadian parliamentary procedure.

I would hope that my omitting to deal with any particular subject mentioned in the speech from the throne will not be taken as approval or otherwise of the measures proposed. I have mentioned that there are a number of subjects which are stated in very general terms, and which are very important; but it will be much more satisfactory to deal with them when the legislation is before the house and the way in which the government proposes to deal with them is known to the members of the opposition as well as to the government.

With its great majority the government is in a position to give leadership at this extremely critical time. As Canadians we have been very fortunate, but there can be no escaping the fact that we are passing through a grave period in the world's history. When I speak of an opportunity to give leadership, I mean especially leadership in the international field. The solution of the problems which will face us in the comparatively near future, if all our hopes for recovery from the war and the preservation of peace by the combined strength of free nations are not to be shattered, depends upon vision, depends upon boldness, depends upon willingness to try new courses in meeting those tasks. It calls for confidence on the part of the government in our own great future, which is so

clearly before the eyes of every Canadian who has had an opportunity to see Canada as a whole.

As I said a few moments ago, we will seek to fulfil our historic obligation as the official opposition in this house. In meeting the tasks which must be undertaken, and in seeking solutions of the many grave and important problems which must be solved, we will at all times offer constructive criticism and constructive suggestions, and we will be ready to help the government in every way that this can be done by the members of His Majesty's loyal opposition.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, first of all may I once more express my best wishes to you and my congratulations upon the distinguished manner in which you have begun the discharge of your duties. I should like also to express very sincere thanks to the leader of the opposition (Mr. Drew) for the chivalrous and kind remarks with which he opened his address this afternoon. I thank him personally for his wishes of good health, which I reciprocate. I think both of us come before our colleagues of the house this afternoon with some evidence that there is a prospect of those wishes being realized.

It is gratifying that, whatever the result of an appeal to the people may be, those who made that appeal, and who have come here as a consequence of their electors' response, should feel that they have a responsibility not only to those who supported them, to the members of their party, but also to the people of Canada as a whole. I can give the leader of the opposition the assurance that at all times we will endeavour as best we can to serve the interests of all Canadians. I am sure that the constructive criticism which he has promised to offer as occasion may arise will also be offered in the hope that it will be of benefit to the entire public.

I have much pleasure in joining with him in extending congratulations to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply to the speech from the throne. These newly elected members have delivered their maiden speeches. We who have been here before know that it is a pretty trying experience to speak for the first time in the House of Commons, and we realize that when such an event takes place at the opening of a new parliament the difficulties are increased by that circumstance. I am sure we are all proud of the admirable manner in which these two new members, the hon. member for Nicolet-Yamaska and the hon. member for Vancouver South, spoke in moving and seconding the address.

As to my friend the hon. member for Nicolet-Yamaska, those of us who had the privilege of following all his remarks can testify to the fact that he acquitted himself in a fashion most creditable to his electors and to himself. He comes to the House of Commons with a sound reputation arising out of his achievements at the bar and in other fields, and I think we would all wish to say to him that he has added to that reputation by the manner in which, on Friday last, he moved the address in reply to the speech from the throne.

Those of us who knew something of the background of the hon. member for the federal riding of Vancouver South were not surprised to hear the address which he delivered. To those of us who have recently seen the part of the country from which he comes, it was no surprise to hear him extol its beauties and resources. The hon. member for Vancouver South has not only taken an active interest in the affairs of his local community, which he served from an early age, and in a distinguished manner, before coming here. Not all but a good many of us on both sides of the house appreciate the fact that for a long time he has been taking a keen interest in the organization work of the Liberal party in his native province.

Those of us who heard these hon. members, all feel, I have no doubt, that they are to be commended for their broad grasp of public questions as well as for their vision. They have impressed us by the fact that they come here with confidence and look forward to a future in which they hope to have some part in realizing the happy prospect referred to this afternoon by the leader of the opposition as the ultimate destiny of the Canadian nation.

No doubt, as the leader of the opposition has said, it will be more helpful and more pertinent to discuss the matters referred to in the speech from the throne when the measures dealing with them come up for detailed consideration. I am sure that all will agree with that. I shall refer only briefly, as the leader of the opposition has done, to some of the measures forecast in the speech from the throne.

First of all, the hon. gentleman referred to that portion of the speech which forecasts a measure to further the constitutional development of our institutions as fitting for those of a completely autonomous nation. He expressed the hope that that could be achieved without provoking any clash with the authorities of our Canadian provinces and also the hope that there would be no attempt to draw that rather shadowy line between matters that may be of special concern to the federal government and parliament and those other

matters which may be the exclusive concern of the provinces or the joint concern of both the federal and the provincial authorities. He said that he hoped that that might be arrived at by consultation with the provinces.

I would be most happy, indeed, if I could expect such a result could be achieved in any short period of time, but I am afraid that it will be a considerable undertaking. Not because there would, on either side, be any effort to obtain an advantage one over the other but because of the realization which we all must have that anything which is done in that respect is done for a long period ahead and to serve a constantly enlarging Canadian nation. Having that responsibility, no one can easily contemplate giving any consent or acquiescence which might under any possible circumstances take from one or the other of those authorities something which it would otherwise have enjoyed.

But there are other ways in which this tenuous or shadowy divisional line may be pointed out or marked, and these ways have been followed since the earliest days of confederation. I refer to the judicial process. I think it will be a prudent course to have the language used indicate that there will be ample opportunity for anyone who may feel that anything which is being attempted does not come within that language to challenge its correctness before the courts of justice and have them determine whether what is proposed is something which is exclusively of federal concern, exclusively of provincial concern, or of joint concern to both the provincial and the federal authorities. I hope we shall be able to dispel any feeling that there is an attempt to settle by legislation something which could more properly be determined by judicial process.

The hon. gentleman dealt with the situation in which the world finds itself, and to which reference is made in the speech from the throne in the declaration that the ultimate aim of the Canadian government is to move toward that situation where trading nations can engage freely in mutual trade under a multilateral system. There is no doubt that currency is a medium of international trade, and I think it is obvious that there is a serious sterling-dollar problem which has been an impediment to the restoration of that trade in which this nation has perhaps a greater proportionate interest than any of the nations with whom we have been discussing these problems.

I tried to realize for my own benefit, and to point out to some of those to whom I was speaking the other day, the extent to which we are interested in international trade. I got figures from our statistical department showing that our exports were of the general order of $3,000 million. I told those to whom I was speaking that I had never seen a billion dollars nor even a million dollars. In order to get some conception of what such a figure means I have tried to reduce it to a simpler form. A simple calculation has shown me that for every family of five in this Canadian nation we are required to sell something over $1,200 worth of our surplus in order to continue to live as we have been living in the past. I would be surprised if there were any of those with whom we have been discussing these problems who find it necessary to export such a large proportion of their surplus as is required to be done by this country in order to maintain the level of welfare for its people.

As the leader of the opposition stated, during the last week most important international meetings have been held and well-intentioned efforts made to remove the impediment to world trade resulting from this sterling-dollar problem. I think the hon. gentleman was quite right in pointing out that such solutions as have to be envisaged must be predicated on the statement that was made in the communiqué issued by the ministers of finance at Washington, that by the middle of 1952 no more extraordinary help will be coming from the North American countries. That being so, it is quite apparent that we have all got to work toward a situation where the earning of dollars by sterling countries, or those tied closely to sterling as their main currency, must become sufficient to enable them to secure from us the things that they need and want from us, the things it is very important for us to be able to sell to them, the things for which we have no immediate use in our own economy.

I should not like in any way to say anything which would anticipate what my colleague, the Minister of Finance (Mr. Abbott), will be communicating to this house this evening, but I can give hon. members the assurance that all those factors are very much in our minds in the consideration we are giving to what action, if any, is required at the present time from Canada in view of the announcement made by the United Kingdom and followed by so many others yesterday and today.

I believe that, with the leader of the opposition, we are all satisfied that this Washington conference proved conclusively that, when men of good will meet and frankly expose what they believe to be the causes of the difficulties which are to be overcome, their very frankness is evidence of the degree to which they can have confidence in each other and to which they will contribute to the best possible solution of those difficulties. We were all, of course, rather scandalized at the tone

of some of the comments on both sides of the ocean during the last few weeks concerning the attitude of the other. I am confident that what has taken place from the time the President of the United States made his speech a couple of weeks ago and preparations were actively undertaken to bring about this meeting in Washington, as well as during the course of the meeting itself, demonstrates that reasonable minded people in the three nations—who are the vast majority—recognize the inevitable nature of the difficulties which have arisen. These difficulties they regard as facts, not as faults to be attributed to any of them.

I am sure what has been accomplished does, to a degree, implement that which the government had in mind in expressing the view that the economic stability of the western world was extremely important, as important possibly to resisting and therefore deterring aggression as military strength itself. Within the last week, I believe, reasons have been given, first of all by the representatives of the United Kingdom, United States and Canada, then by those who attended the meeting of the international monetary fund and, last but not least, by those who attended the meeting to implement the causes and purposes of the North Atlantic treaty, why aggression would be resisted, could be resisted, and therefore will not be undertaken.

Now, the hon. gentleman has said that many of these difficulties arise out of the great sacrifices made by the United Kingdom in two world wars. I am sure all of us have the greatest possible admiration for what was done in those two world wars, and the greatest desire to understand the lasting effects of those sacrifices as well as the conditions they have created and the necessity imposed upon us all to co-operate for the alleviation of the consequences of those conditions. Whatever decisions any of us have to make should properly be conditioned by our appreciation of the manner in which our share of this tremendous job of putting the world back on its feet can be done and will be done. I am sure that, although we will not be claiming we are giving leadership, we will not be found wanting in our willingness to do our part, as we have done in the past.

Mr. M. J. Coldwell (Rosetown-Biggar): First, I should like to congratulate the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address. I have been here on a number of occasions when that has been done and I say most sincerely that I do not think two new members ever acquitted themselves better than the two hon. gentlemen who respectively moved and seconded the address.

I should like to associate ourselves, too, with the leader of the opposition and the other members of the house in expressing our sympathy with those who suffered loss and the relatives of those who died in the tragic event which occurred at Toronto last week. I suggest to the Minister of Transport (Mr. Chevrier) that every consideration should be given during this inquiry to the strengthening of the legislation, if necessary, and the supervision of the building and equipping of our ships in order that such an event may not occur again.

On June 27 the Canadian people elected this parliament and the government received an overwhelming majority at the polls. On behalf of my colleagues as well as of myself, I should like to join in congratulating the Prime Minister personally upon that victory. As an older member of this house who has sat in parliament during the past fourteen years, may I say this to the new members. Whatever we thought of the government's policies, we always appreciated the unfailing courtesy and consideration the Prime Minister extended to every member of this house. I wish to join with everyone in wishing him health and happiness in the high office to which he has been called.

May I say of my own party that we are a democratic party and, as such, we accept the verdict of the people as delivered at the polls. We believe our policies and our program are sound. The election showed we have a substantial following in Canada. We are certain that, as in so many other respects, time will justify many of the proposals we have made from time to time as well as during the course of the general election. As for our policy in this house, we shall continue to do as we have done in the past: to advocate progressive measures and policies in the interests of the whole country and to support every proposal, no matter from where it comes, which seems to tend towards better conditions for the Canadian people. We shall oppose anything that we believe will restrict their freedom and their opportunities.

The overwhelming support accorded the government places an obligation upon the Liberal party to fulfil, during the lifetime of this parliament, the promises which the party has made for many years and which, in a number of instances, remain as yet unfulfilled. I would remind the government that we still lack a national social security plan, including national health facilities as free to all our people as are the public schools to our children. That is a target at which this parliament must aim. The senior citizens of our country, as the old age pensioners are now often called, still await the fulfilment of the specific promises made in the government's manifesto of 1945 and repeated on many

platforms during the election period, for a national old age pension plan without a means test.

I could enumerate, of course, other promises we regard as unfulfilled pledges. But with the overwhelming following which the government has in this house, there can now be no excuse for delay in bringing down the necessary legislation to implement the promises and the pledges that have been made to the Canadian electorate from time to time.

Looking at the speech from the throne, we find that it foreshadows a great deal of important legislation and it would seem to involve a heavier and a longer session than some observers thought likely before the house was called. Before parliament was dissolved in April last, the budget resolutions had not been considered. Little discussion of the estimates had taken place. The house had granted interim supply to the government to enable it to carry on the business of the country until the end of this month. One of the present duties of this parliament is of course to scrutinize the expenditures of the government and to provide money to carry on its business in the future. I think it is our duty to scrutinize carefully the expenditures made, and I suggest that the public accounts committee should be called early this session so that past expenditures may be more thoroughly scrutinized than they have been in some former sessions.

The speech from the throne records the presence in this parliament of representatives from the new province of Newfoundland. We join most heartily in welcoming them as members of this House of Commons, and in expressing the belief that the entry of Newfoundland into confederation will prove beneficial to the people of old Canada, to the new province of Newfoundland, and indeed to the new confederation. In this session of parliament in which for the first time are united all the scattered British colonies of North America, as I believe they were called at the time of the Quebec conference, it is fitting that we should consider ways and means of rounding out our nationhood so that it will be more complete than it has been in the past.

In the same spirit we welcome the decision of the government to consult with the provinces at an early date with a view to agreeing upon an appropriate procedure for making within Canada such amendments to the constitution as may be necessary from time to time. We agree with the statement to this effect in the speech from the throne and trust that the hopes held out for the success of such a conference will prove to have been well founded.

The speech from the throne also expresses the hope for world peace and security under the auspices of the United Nations, and specifically and correctly states that the hopes we held in 1945 and the years that immediately followed have not been fulfilled. We believe of course that the fear of military aggression has been minimized by the North Atlantic agreement, but we urge the government to continue every effort to bring into effect the security provisions of the United Nations charter, thus relieving Canada—as I remember the Prime Minister stated before the assembly in 1946—and all the other nations from the crushing burden of national defence and rearmament, and releasing for us the means of improving in so many respects the conditions of our own Canadian people. After all, the best insurance against war is a healthy social and economic structure enjoyed by all our people. It is of the utmost importance that we shall do everything we can to improve the economic and social well-being of our people and of the north Atlantic community. But it is equally important—and in some respects perhaps more important—that the economic health and well-being of the peoples of Asia and of the world generally shall be promoted in every possible way in order to remove the economic causes of war and the discontent which fosters the spread of totalitarianism in any form.

Canada has been a direct beneficiary of the economic aid which the United States has given to the European nations. Without that aid our own position economically would be vastly different from what it is today. Indeed, the provision of United States dollars for the purchase of Canadian wheat by the United Kingdom enables us to market a large quantity of that commodity this very crop year. United States aid to Europe has enabled Canada to maintain a considerable amount of economic stability which, incidentally, is as vital to our own country as it is to the economy of the European nations. When we remember that some $800 million of Marshall aid, so-called, will be spent in Canada during the next year, we can understand why, in common with the United States, we have been able to maintain an unexpectedly high level of employment and trade—and I use the word "unexpectedly" advisedly, because I remember the report of the James commission, the government's own commission, which was placed before this house in the late years of the war, which predicted considerable post-war unemployment. Happily this has not yet materialized.

But it is authoritatively stated that this United States aid will end within the next three years. It is therefore the obligation

of the government and of this parliament to review all our commercial policies with a view to protecting the Canadian economy against the difficulties which are almost certain to arise when this aid ends. In spite of the search for alternative markets for Canadian products, our best and most stable market for our wheat, fish, fruit, lumber and a good many other surplus commodities, both now and in the future, is bound to be in the United Kingdom. As we have been reminded during the last few hours, the position of that country has changed fundamentally because of the loss of overseas investments and of shipping in two world wars, a condition to which both the Prime Minister (Mr. St. Laurent) and the Leader of the Opposition (Mr. Drew) properly referred. If we are to market vast quantities of Canadian goods in the United Kingdom, it is vitally necessary that we increase our imports from that country. Under the new circumstances that have arisen, we cannot expect the United Kingdom to buy some $700 million worth of goods in a twelve-month period, while we, Canada, take from her in return less than $400 million worth of imports in the same period. The United Kingdom cannot find the dollars unless of course we are prepared to accept sterling, freeze it, or invest it in the sterling area or the British colonial possessions.

With regard to our imports of British goods, over the week end we have seen some steps taken by the United Kingdom to enable her to market more goods in North America. I am not going to discuss them now because they will be before us in more detail tonight, I presume, when the Minister of Finance (Mr. Abbott) speaks. A great deal of discussion has taken place recently in Canada and the United States with regard to the increased cost of production of British goods and the necessarily higher prices charged for them abroad. If this is true, it seems to me that, apart from the currency matter, attention should be given by this parliament to a drastic reduction in Canadian tariffs against United Kingdom commodities in order to promote the exchange of goods between our two countries on a more even basis than in the past. For after all the old contention that Canadian industry requires protection from cheaper British goods, if it were ever valid, no longer has any basis in economic fact if the statements made regarding the costs of British goods are in any sense correct. We therefore urge the government to consider at this session a drastic reduction of tariffs as a major step in promoting Canada's trade with the United Kingdom.

I note that the speech from the throne speaks with a great deal of satisfaction about the international wheat agreement. Coming from the prairies, I welcome that particularly, and I believe that it should be welcomed by every hon. member of this house. But, when we see these agreements, they bring before us in a very concrete form the new pattern of world trade which is emerging among the nations. The old system of unplanned, unregulated, competitive and so-called multilateral trade has passed away, and a new form of trading relationship, based upon planning and co-operation among the nations, is taking its place. It is difficult sometimes to understand the interpretation placed upon that term, "multilateral trade", in this very modern and new setting. To some it seems to mean the old-fashioned laissez-faire system which some people think existed before the war, when indeed it did not exist. Yet the people who advocate in our country and elsewhere such a policy are often those who within the confines of their own countries and within Canada demand protection against foreign competition, and who have often succeeded in stifling all competition within their own domestic economy by building nation-wide monopolistic enterprises. In no country is this more true than in Canada. In the United States they have the Sherman anti-trust law. We have nothing comparable to it. It is true we have the Combines Investigation Act, but it is not in the same class as the anti-trust legislation in the United States. As those of us who were in the last house and saw the reports made by the commissioner of the Combines Investigation Act know, we have no effective means of dealing with combines and with monopolistic practices in our own country.

In the speech from the throne the government emphasizes the necessity for international trade, and yet at the same time, for example through its tariff protection, and as of July 1, through its restoration of certain tariffs against British cotton and rayon piece goods, it aids powerful industry, and is endeavouring, it seems to me, to promote a certain type of national self-sufficiency. This policy, incidentally, was followed in the United States, which because of its wide and varied resources, enabled that country to establish self-sufficiency, an example which is being followed in many other countries of the world. Therefore it is the duty of this parliament to give close attention to economic policies which will expand rather than restrict our ability to trade with other nations of the world.

As the Prime Minister (Mr. St. Laurent) pointed out a few moments ago, there is no country in the world so dependent, because of the peculiar type of our production and of

our economy, on external trade and exports as we are in Canada. It is true that we should make every attempt to improve and increase our domestic consumption, but even if we increased our domestic consumption greatly we would still have vast surpluses which must be disposed of by export trade.

Now I want to turn to another problem which I think affects a good many of our people and which requires immediate attention. In the speech from the throne we are told that new legislation will be introduced to broaden the scope of the National Housing Act. As we have contended for some years, the need is for subsidized, adequate low-rental housing for the low income groups. That is made particularly necessary by the very high cost of living which is now, according to our bureau of statistics, at record heights. It is possible that the Minister of Finance (Mr. Abbott) may announce some dollar policy tonight—I do not know—involving further increases in living costs in this country. I do not propose to say anything further about that until I know what he has to say this evening.

Cases have been brought to my attention from time to time, and I am sure to the attention of every hon. member, of families, including many young war veterans, who are compelled to pay one-third or more of their meagre income for accommodation in what is often submarginal housing. Go around this city and you will find families with one room and a clothes closet turned into a little kitchen with an electric grill or oil stove. You will find them paying one-third of their income sometimes, particularly if they are students, for that kind of accommodation. When the government has provided housing as for instance for veterans, as in my constituency of Rosetown-Biggar in a suburb of Saskatoon, the quality has often been unsatisfactory. I use this as an example. Contractors from time to time—not always of course—have failed to live up to the specifications, and the veterans have sometimes been left to make expensive repairs in the first year or two of occupancy. In some cases inferior equipment has been installed and little or no redress has been forthcoming either from the contractor or from the responsible department of government. In Montgomery place, Saskatoon, hot-water tanks installed had not been in use for one year before they developed holes in the sides from poor quality or deterioration. Veterans and their families, with houses having ill-fitting doors and windows, doors and floors that sag, poor insulation, lacking eaves-troughing, and with no sidewalks to save them from the mud, have in my opinion a legitimate complaint against the failure of contractors or the government to live up to the specifications and proper standards. There has been inadequate planning for the comfort and convenience of residents in new districts of that sort.

As I said at the beginning, we believe that low-rental houses must be subsidized; there is no other way of dealing with the problem. But in the interests of health and of happiness, planning and construction should be given careful supervision in order that proper standards of building and equipment should be maintained.

I know that the project to which I have referred, and other projects of a similar sort, have been brought to the attention of the government from time to time, but in some instances—and in the instance to which I have referred—while some improvements have been made, they are insufficient to rectify entirely the unsatisfactory conditions. If public moneys are expended in the construction of homes, or financial guarantees given to investors and veterans, and others are forced by circumstances to purchase homes, then it is the duty of the government to exercise supervision and to rectify any defects in construction or material within a reasonable time of occupancy or sale.

A national subsidized housing program, then, as we have said for several years, is essential. But parliament must insist that the government should assume responsibility for the supervision of construction, and guarantee satisfaction to the purchaser or occupant. When I refer to the "government" I do not necessarily mean the federal authority. If it is a regional plan, then the responsible authority should see to it that these abuses do not occur.

One other point in connection with housing: meantime, the public must be protected against excessively high rentals by the continuance of rent controls. Indeed, persons who have been compelled by circumstances to rent new occupancy housing units should be given the right to appeal against unreasonable rents to which most—and again I say not all—have been subjected. Let me emphasize that this is particularly true in view of the spectacular heights to which living costs have risen since the removal of other beneficial subsidies and controls.

While the level of employment is high, there have been some disturbing lay-offs in Canada. Unemployment in the United States, we read, during the summer reached approximately 4,000,000, although there has been some seasonal diminution lately. We have no assurance, other than expenditures for European aid, that lay-offs will not increase in Canada during the next year or two. So

that various public projects should be planned and undertaken to safeguard the people against such a condition.

Two of these are mentioned in the speech from the throne. Apart from the necessity of providing employment, these in my opinion are essential in any event. The two mentioned are the trans-Canada highway and forest conservation.

The wastage and depletion of our great forests has been for years a national disgrace. We shall await the government's proposals for conservation which we hope will do more than conserve in a narrow sense, and will be sufficiently comprehensive to include reforestation, afforestation and flood control, to be undertaken of course in co-operation with responsible provincial authorities. We would hope, too, that in co-operation with the provinces our forests may be planned, and that also there may be proper planning of their development, exploitation, or whatever appropriate word one might choose, so that future generations may not be denied what we have enjoyed.

The building of the trans-Canada highway is long overdue. Obviously this must be an all-Canadian project. Let me make the suggestion that a flat grant of money to the provinces on a percentage basis will not suffice. It seems to me that the federal highways plan in effect for many years in the United States should be considered and studied. The experience gained there should be used as a guide in this country.

The needs of the provinces vary: some are richer than others. Some of the provinces have great distances and sparse population, with consequently larger mileages per capita of all types of roads to build and to maintain. In other provinces there are mountain regions and soil conditions which would mean that the kind of highway the trans-Canada should be would prove a costly undertaking. Indeed it would be too costly for some of the less favoured provinces to bear. Those factors, as well as the choice of the best, most efficient and most economical route should be reviewed carefully by parliament as well as by a federal-provincial conference.

Now that the matter of Canada's right to amend her constitution has arisen, and we believe that the constitutional rights and privileges of the provinces must be recognized and protected, we believe that ways and means must be found by agreement to assist the provinces in improving other public facilities, particularly those having to do with education. A modern system of education involves large expenditures in plant and equipment, but of the most vital importance is the type of person engaged in the teaching profession. As I have good reason to know, unfortunately many of our most able, most gifted and best fitted young men and women either leave the profession or do not enter it because of the lack of opportunities and remuneration it offers. The limited financial resources of some of the provinces, and the communities comprising them, simply cannot cope with this situation. In the discussions with the provinces I should hope that some consideration would be given to the problem of providing federal aid for education in all its branches, without restricting the rights of the provinces in that regard.

Opportunities for discussing other aspects of the proposed constitutional changes will arise. Therefore I am not going to discuss them at greater length today. We shall await presentation of other matters mentioned in the speech from the throne, requiring consideration by the house, before attempting to discuss them. I see the Minister of Agriculture (Mr. Gardiner) in his seat. Let me say to him that I hope the proposed amendment to the Prairie Farm Assistance Act will increase the benefits and enlarge the scope so as to enable all farmers affected by crop failure to participate in the benefits of that act.

It has been said already this afternoon that opposition members in parliament have a most important function to perform. The Liberal party has been given an unprecedented mandate to govern this country. Under the circumstances, however, an alert and vigorous opposition becomes of the greatest importance. It has been said often that the best kind of government is the government that is a bit insecure in office. Having sat in several parliaments, I believe the best one in which I have served, because of the discussions which took place and the manner in which hon. members kept on their toes, was the last one, in which the government had a fairly slim majority.

Consequently in this parliament we find that more responsibility falls upon members of opposition parties. Though we are small in number, the C.C.F. will do its share in making critical examination of the government's proposals and activities and, as in the past, will continue to work for social and economic justice for all our people.

Because we believe there are certain specific measures which for some years had been promised by the Liberal party, I do not propose to follow the example of the leader of the opposition (Mr. Drew) and let this opportunity go by without offering some amendment. Therefore, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), I move this simple amendment:

That the following words be added to the motion: "We regret, however, that Your Excellency's advisers have failed to propose legislation to remove the means test from the old age pension."

Mr. Solon E. Low (Peace River): Mr. Speaker, at the outset I should like to join with the Leader of the Opposition (Mr. Drew) in expressing congratulations to the Prime Minister (Mr. St. Laurent) on the overwhelming victory which he won in the election last June. I thought that the leader of the opposition expressed that feeling of congratulation very graciously, and I sincerely join him in every word he said, and the things which he meant in that connection.

I should also like to express my sincere congratulations to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply to the speech from the throne. It has rarely been my privilege to listen to more eloquent and beautiful addresses in French and in English than I heard on Friday last. Without question you have brought to this house very high ability, and doubtless we shall hear more from you in the days to come.

I should also like to join in expressing sincere regret and sympathy to those who suffered as a result of that most incredible disaster which took place in Toronto harbour last Saturday. I say incredible because it seems almost beyond one's imagination to think that such a thing could happen right within the harbour of that great city. Knowing something about ships, it is difficult for me to understand just what caused such a terrible tragedy. I want to commend the Minister of Transport (Mr. Chevrier) for his positive and swift action in ordering an inquiry into the disaster.

I also wish to say how happy I am to see in this house representatives of the newest province of Canada, Newfoundland, and also to see amongst those on the front benches a minister of the crown representing one of the ridings of that province. I join with other members in welcoming to the house these and all other new members, and I express the hope that they will enjoy their experiences here, the family squabbles along with the many instances of family accord that we shall have in the days to come.

I have been thinking of late, Mr. Speaker, about something which was drawn to my attention some weeks ago, and I thought that it was of sufficient importance to merit a place in what I shall say in the few minutes I shall speak this afternoon. I say few minutes advisedly. I am going to follow the example set by the leader of the opposition. I think he sensed that if he spoke too long this afternoon members might feel that he should take some of the feathers out of the wings of his imagination and put them into the tail of his discretion. I noticed that his brief but very fine remarks were greeted with enthusiasm by members on all sides. I am certainly not going to be guilty of continuing this debate beyond a reasonable time. I thought, however, that this matter which was drawn to my attention a short time ago should also receive the attention of the members of the house.

I refer to what appears to be a concerted drive by certain sections of the Liberal press across Canada to influence the Speaker of this house and the Prime Minister into denying recognition to what these newspapers call splinter parties, and also denying them what they are pleased to describe as the very great privileges that these parties enjoy at the present time. I refer more particularly to the Lethbridge *Herald* and the Montreal *Star*. At first I thought by splinter parties these partisan newspapers might mean the Conservatives and the C.C.F.

I once went to see an entertainer whose specialty was playing the xylophone. I found him to be an accomplished musician, especially on this particular instrument. The climax of his entertainment came when he announced that he would render that famous old selection, "The World is Waiting for the Sunrise". In the course of playing the piece he scattered bits of his precious instrument all over the platform. After the last piece had flown to the far end of the platform he explained to the audience that he believed in doing the job thoroughly. He said, "By rendering the piece I meant splintering it or tearing it to bits." What the Liberals did to the Conservative and the C.C.F. parties in the election of last June, and what they did not do to the Social Credit party, led me to believe at the time these articles appeared that the expression "splinter parties" simply could not refer to us. Nevertheless, these particular newspapers, the Lethbridge *Herald* and the Montreal *Star*, came right out and made it perfectly clear that it was the C.C.F. and the Social Credit parties they meant, and they called us splinter parties.

I do not know of any special recognition, Mr. Speaker, that has ever been granted to us by anybody. Furthermore, I do not know of any special privileges that we have enjoyed beyond membership on committees of the house, which I suppose would have come normally had we been merely members of the opposition. The government has always maintained and retained a majority on all committees. Therefore I cannot quite understand what these newspapers meant, but there is this point that has impressed me. I have never seen a press that has been as inconsistent as the Liberal press of this country. I refer particularly now to the Lethbridge *Herald*. When we held the provincial election in Alberta last year, and

returned fifty-one Social Crediters out of fifty-seven members in the legislature, the Lethbridge *Herald*, together with other sections of the Liberal press across the country, shouted to high heaven that the province of Alberta was going to the dogs because what was needed most was a good strong opposition.

After the election of last June they turned around, and in several different editorials they bemoaned the fact that the people of Alberta had not seen fit to add to the 193 Liberals who had already been elected. They wondered why it was that the people of the province did not vote Liberal, why it was that they were so crazy as to vote anything but Liberal. The fact is that the people of Alberta did not vote Liberal, and the reason is quite obvious. The province of Alberta has been enjoying the kind of good government under the Social Credit party that makes it unnecessary for them to change to any other party.

I want to pay a high tribute to the government of Mr. Manning in Alberta. It is being recognized more and more every day that through wise policies of management of resources and finance and of the affairs of the people they have brought that province to the forefront of the provinces of Canada. Because the people there are happy and contented, not even the presence of Santa Claus along with several other forces that came into the province with the Liberals could help those Liberals win against the Social Credit government in the province and the Social Credit feeling.

We have here ten good men and true, men who know exactly where they want to go, men who stand together. Furthermore they are men who have not sold their independence. They are men who are prepared to fight for the independence of the people of this country. I say to you that if this country needs one thing more than another it is more independence and independents in this House of Commons.

Let me refer just briefly to something which the press evidently has overlooked. Those who have been guilty of attempting to influence the Prime Minister (Mr. St. Laurent), and the Speaker of this house, so as not to recognize the so-called splinter parties, should realize that the tree of liberty has not yet been so firmly rooted in the soil of this country or of any country in the western hemisphere that adverse winds cannot blow it down. No one denies that there are winds and storms about. Therefore we are still in need of increased faith, of vigilance, of work, of the will to fight and sacrifice in order to ensure that this old tree is kept standing and growing and putting forth new branches.

Our fathers fought and bled and died to establish freedom and personal liberty in this country. They fought and bled and died to secure for us the right to speak our minds freely, to worship Almighty God in our own way and in our own churches, to take part in our own government and to live our lives as individuals and not as members of regimented groups. I say to you that if our attitude toward these freedoms that have been so dearly bought becomes careless, then they will depart from us just as surely as darkness comes upon the earth with the setting of the sun. It is for that reason that I feel that the newspapers who sponsored this drive across the country have insulted the intelligent people of Canada who value their freedoms and who are determined that they shall continue to exercise them and to have as many parties as they want.

I do not say that I support the idea of a multiplicity of parties, but I say that if the people of this country want to organize in a democratic manner for high purposes that are perfectly out in the open and not in any way subversive, that is their right and no newspaper nor any pip-squeak newspaper writer ought to be allowed to interfere with that right.

I should like to say just a word about this most important matter of the devaluation of the pound. I think I am safe in saying that this whole matter is so complicated that perhaps no one man can grasp at once the whole significance of it, nor can anyone say what may be the results of the action that was taken by Great Britain last Saturday. So many factors are involved, including the human factor. If we could anticipate what organized labour will do under the impact of devaluation or what reactions may be expected from capital and from the United States exporters and industrialists, perhaps we would have some idea of the outcome of the present action taken by Great Britain. But I think we can see ahead clearly enough that a few words of warning might not be out of place at this time.

As a result of all the evidence that is available, I believe that we are justified in drawing certain conclusions. In the first place, Great Britain did not devalue the pound sterling voluntarily. I am perfectly satisfied in my own mind that Great Britain was bludgeoned into it just as she has been bludgeoned in other ways in recent years, including Bretton Woods. I have noted the repeated statement by Sir Stafford Cripps that Great Britain would not resort to the devaluation of the pound, a statement that was repeated right up to the day that his vessel came into the harbour of New York when he was on his

way to attend the Washington conference. Sir Stafford Cripps has intimated over the past year that pressure was being brought upon Great Britain. I see in the *Christian Science Monitor* of September 13 an article under the caption "World Bank Spurs Devaluation", written by Mr. Neal Stanford. Mr. Stanford refers to the report recently issued by the international monetary fund and the international bank for reconstruction and development. Mr. Stanford quotes that report in one or two instances quite briefly as follows:

> An adjustment in the exchange rate may be the "only" way for a country with high production costs to expand exports.
>
> "The principal aim of deficit countries should be to increase their exports to the United States" so as to earn dollars.

And again:

> Deficit countries cannot afford to forego any suitable instrument, including any necessary exchange adjustment, that could expand their dollar exports and thus provide their people with imports.

I think it can be assumed from what has appeared in the press in the past seven or eight months that tremendous pressure was put upon Great Britain and that the world bank was foremost in applying that pressure.

The second conclusion that one can reach as a result of the action taken last Saturday is that Great Britain must expand her exports by thirty per cent in order to break even, and by more than thirty per cent if one single extra dollar is to be made available to her. The question is: Can she do it? It seems a fantastic increase to make. What if United States industry and exporters make substantial reductions in the prices of their products? There is only one answer. Cut-throat competition on a world-wide scale could easily develop and this would wipe out the benefit of devaluation. Is there any guarantee that such a thing cannot happen?

May I voice a third conclusion, Mr. Speaker? I think we are justified in the conclusion that Britain's dollar problem could have been solved quite as successfully and with much less danger to the whole world through reductions in United States tariff rates, coupled with a sensible easing of customs regulations, rather than through devaluation. It must be remembered, sir, that Britain has advanced to the position where her trade is in balance with the rest of the world. However, it appears that very powerful interests and blocs in the United States have successfully opposed this sensible alternative, and the world bank as well as the government of the United States have allowed themselves to be influenced by political rather than by humanitarian and economic considerations. Only when men in high places fully realize that honourable and just economic relations underlie harmonious and happy political relations can we ever hope to begin to build for world peace and the brotherhood of man.

At this point I should like to congratulate the Minister of Finance (Mr. Abbott) on his forthright talk to the people of the United States about their responsibilities in this world of confused and unbalanced trade relations. I thought he did well. If I have any criticism at all, it is that only technicians and profound students of world trade could possibly understand the exalted diplomatic language he used. After all, these things have to be impressed upon the understanding of the average citizen of our neighbouring country if the necessary pressure is to be generated to induce a favourable change of attitude and just action. The United States must join the rest of us in relieving Britain of some of the burden of the loans and gifts as well as other forms of assistance she has been forced to advance to other countries. Britain must not go down. I am afraid there are powerful forces seeking to destroy her.

I come to my fourth conclusion. It is hard for me to find real justification for the drastic devaluation of the pound. There might have been some justification if large-scale unemployment existed in Britain, but it does not. For some time there has been full employment in that country. We therefore have to seek in other directions for whatever justification there may be.

This leads me, sir, to a fifth conclusion. The heavy pressure which forced Britain to devaluate appears to me to be part of a world-wide scheme to bring about deflation. Business, you know, has been too good. Labouring men have been, generally, too prosperous and happy to suit the powers that hunger and thirst after power. Wages must be brought down, prices must be forced to lower levels, and the volume of purchasing power available has to be reduced substantially in every country of the world, they contend. How can interest rates be brought up to their accustomed level and how can men be rendered docile and subservient without widespread and drastic deflation? Those are the questions vested interests are asking. Those are the things they are demanding.

If this conclusion proves to be well founded, and I think it will be, I ask the government what is going to check the deflationary trend before it forces producer prices to uneconomic levels and wages below the subsistence level? Moreover, if these latter conditions do return, what is going to prevent the whirlwinds of revolution from shaking the world? Let us not forget, Mr. Speaker, that the people of

the democracies will not tolerate a repetition of the dirty thirties. What will the "Big Bear" be doing while we are floundering in the morass of trade stagnation, unemployment and breadlines that might follow that sort of deflation? It would be easy for me to venture a guess on what he might be doing.

This leads me to the sixth conclusion. Some students of world affairs see in this whole business a move to discredit the pound and make the dollar the undisputed master of the world. This may or may not be so, but I am inclined to believe it is. One thing is certain, and that is that for too many years now the world has witnessed a conflict between the manipulators of the two systems of currency, the dollar system and the pound sterling system. Millions of people in many countries throughout the world have suffered needlessly as a result of that conflict.

Surely, it must be evident to all thinking people that in international trade the important thing to our country, as to all other countries, is to succeed in getting the surplus Canadian goods in the hands of people in other countries who need and want them, and to bring back into Canada the surplus goods from those other countries which Canadians want and are prepared and able to buy. No currency war should be allowed to interfere with this normal and natural process. No currency manipulations can prevent just, successful, and mutually satisfactory exchanges of goods and services internationally, provided the worship of gold and the almighty dollar, as well as the power that goes with it, is replaced by a sincere and honest desire in the hearts of men to love their neighbours as themselves.

I urge the government of this country in the next week or two while this serious crisis exists—it might last longer than that—to use the utmost caution in meeting the situation which they are facing. Britain's action, I presume, will force Canada to devaluate if we are to be able successfully to meet the competition of such countries as Australia and the other countries that have already followed Britain's lead. Canada should not take sides in the currency war by championing either currency. Rather, I think, it is Canada's duty to take the lead in an effort to achieve a happy world of honest trading relationship, even if it might involve completely by-passing the present currency requirements. Surely, sir, goods balances are more important, and more tradeable for that matter, than are money balances.

At this stage I am led to remark that we in this corner of the house are prepared to assist the Prime Minister and the government in any worthy moves that they make to improve conditions for the people of this country. We do warn the government that we shall fight with all our might any tendency towards restricting the freedoms of the people of this country through the government's efforts to be fatherly or paternal in their attitude towards the people of this country. We will not be found carping in our criticisms. We hope that the government will allow us the same privileges we have had in the past of expressing our views as a group, but we are not asking for any special privileges. We of the Social Credit party will continue to work for the freedom of the people. We shall continue to explore and to advocate every means of achieving in Canada a national economy based on individual enterprise in which the production of all wanted goods and services is kept at the highest level required to satisfy the needs of the Canadian people; in which the distribution machinery provides for the equitable distribution of our total production; in which the cycles of booms and depressions are eliminated through the use of sensible financial policies; in which every individual is afforded the opportunity to obtain the highest possible level of social security and is accorded the maximum degree of personal freedom; and in which justice is as readily accessible to the poor as to the rich. Those are the things for which we stand. Those things it is our determination to help bring into our fair country.

[Mr. Low.]

Mr. T. L. Church (Broadview): Mr. Speaker, for a few moments this afternoon I should like to call a few matters to the attention of the house and the country. In the first place I want to congratulate the Prime Minister (Mr. St. Laurent) on the victory he achieved. After all is said and done, I am one of those who believe that the people should rule, and the people have given their decision. I also want to compliment the leader of the opposition (Mr. Drew). I have known him longer, I think, than anybody else in the house has. I have always looked upon him as a sportsman more than a politician. I am not a politician myself, never have been one, and do not claim to be one. I am more of a sportsman than a politician. I came into this house just for three or four purposes. I congratulate the younger members of the house, a large number of whom come from the province of Quebec. I have always had a high admiration for the people of that great province. I believe that the house and the country would be far better off if we had more men coming up from the municipalities to this parliament. I also want to congratulate you, Mr. Speaker, on the high office you occupy. You have been well equipped for it. Your diligence and zeal not only as a lawyer but as chairman of committees and Deputy Speaker have fitted you well for the post you

occupy, and to which you were elected on the unanimous vote of the House of Commons.

I always look upon the debate on the address in reply to the speech from the throne as an opportunity to bring matters before the house and the country. I do not speak from the party standpoint because I am not and never have been a hidebound party man. I make some mistakes. We all have our faults. You may speak of the Toronto district as you like, but since 1935 we have never had a representative in the cabinet. We used to have five or six. Is it fair that we should not have one? Is that one of the cardinal principles of Liberalism as we have it in this country at the present time? Sir Wilfrid Laurier used to visit the city of Toronto, as did the Prime Minister; and I know of no city where they were given a better reception than in Toronto. The present Prime Minister will always be well received there. He has opened our winter fair. He has had a keen interest in the city and is well liked there.

I am speaking today without any preparation because I did not wish to occupy too much of the time of the house or to prevent the address in reply from being adopted. But is it fair that the city of Toronto should have no cabinet representative? The greatest financial district is in our city. It pays nearly forty per cent of every dollar the government collects. The city of Toronto is a centre of trade and commerce, the centre of education in the province of Ontario, the site of the university of Toronto, which has given so much to medicine, the arts and the sciences, and is the greatest taxpaying centre in the dominion today. Is it fair, right or proper, under the name of Liberalism, that that great district has never had a representative in the cabinet since 1935? I think it is a great mistake for any government to take that position, and I am in hopes that we shall have a representative. There are in the Liberal ranks some good men from our city, and I hope that the situation to which I have referred will be remedied accordingly.

There are some other matters that I wish to bring to the attention of the house. I believe that the debate on the address affords an opportunity of calling to the attention of the house and of the country grievances which the country has—and the country is full of grievances at the present time. For example, in the Toronto district, where there is a shortage of housing, there is no cheap land. Last year there was a long debate in this house on prefabricated housing. In our city only 117 houses have been built in the last year. We did not have this difficulty in the past. As the former member for Davenport said in this house in answer to the bright young minister from Nova Scotia, cheap land is what is wanted. I remember that the former member for Davenport told the minister that land used to be obtainable for $6 a foot right back of the district I used to represent in the house when I first came here, in northwest Toronto, away out from where the soldiers built their homes, then all around the fringe of the city starting away down east of little York and east Toronto, right north to the township of York and right straight across the city of Toronto. Land was cheap then.

It is unfortunate that we do not get more support from the steam railways. Toronto is the only large Canadian or American city I know of that has no suburban steam service. The people cannot get out to the country. The city has spent millions of dollars on roads, giving services to the surrounding districts; street cars and buses, water, sewers and many of these other municipal services have been given far beyond the city limits into the township and the county of York.

I remember being one of the heads of the city when the township of York, which I described as going around the city to the east, north and west, took only one hundred horsepower from the city. The city had to provide the poles and give them that cheap light and power at cost, directly. That action of providing transportation and cheap power did a great deal for housing. I hope something will be done to give us a suburban steam service, because there is no cheap land in the city. We are the only city I know of that lacks suburban steam service. The city of Montreal has such a service given by the rival systems, the C.P.R. and the C.N.R., with the distance between the tracks equal to about the width of this room. During the summertime the people are, by this service, taken out to those villages and towns on the border of the St. Lawrence river, such as Beaconsfield, Dixie, Lakeside and Dorval. People can live out there for eight months of the year. Some of them live there all the year round. In Toronto we have not that suburban steam service. I am sorry the railways do not do something more for us.

I believe that the time is coming when we should be up and doing something for labour. I have always had the nearly unanimous support of the working classes and of the trade union movement ever since I entered public life—as a member of the school board, as alderman for five years, as controller for five years and as mayor of the city for seven years. The city of Toronto system bought out the old street railway that gave service only to Bloor street practically; and the city from 1911 to 1921 built itself civic car lines. About sixty per cent

of the new city was served by civic car lines, with six tickets for ten cents, until 1921. We obtained the York radials for nearly nothing. The Metropolitan railway, one of the York radials, used to run freight cars from lake Simcoe all along Yonge street in the centre of the road, to the C.P.R. crossing on Yonge street; and the city of Toronto, with the province, in the clean-up deal of 1918-19, purchased the power companies in the Niagara district for $32 million. Under the street railway agreement of 1891 and the city system between 1915 and 1921 and a little before, we built city car lines of standard gauge in the new districts, so much so that when we took over the railway on September 1, 1921, we had the new city supplied already with street cars of standard gauge, and that did a great deal for housing.

Over the Don river, the riding which I now represent, they had hardly any bridges. Ashbridge's bay was just a marsh. It had no industries. We had a very large delegation of 130 members of the House of Commons who were invited by the board of trade and by the city to come up to our city the year before last. The board of trade, the city and the province, along with the lieutenant governor, entertained them. They saw something of our city, of the harbour, and of Ashbridge's bay. They saw our street railway system and many other things. We were glad to see them there and we hope that they will come again.

There are one or two matters to which I was referring the other day. I should like to see some action taken on a Pacific pact, as the Pacific is the back door into Canada; whereas the Atlantic pact is at our front door. The Atlantic involves only two hundred million people, but in the Pacific we have six or seven hundred million people. We need to take some action immediately against communist Russia, which has met its match in the west, but it is now out to control the east, which is our back door into Canada.

In 1938 I called the attention of the house to it. I pointed out that from Puget sound to the southern Queen Charlotte islands there was nearly seven hundred miles of an unprotected western coast of Canada, and it was only by a miracle that Canada escaped direct invasion after Pearl Harbor.

Canada should take some action to thus control the east and stop communist Russia from controlling Asia. The Atlantic pact and the Marshall plan discourage them in the east, which is our front door into Canada, but let us not forget that, unless we have a Pacific pact, all we do at the front door of the west will be of little effect, and will not prevent Russia from overrunning all the Far East. There must be a considered plan backed by economic support from the countries that are involved in the Pacific.

General MacArthur has done good work in the Far East, and the United States should take the lead in establishing immediately a Pacific pact. In these modern days, when bandits and burglars are so busy in our large cities, one must not forget to lock the back door as well as the front, and it is the same in warfare in the Atlantic and the Pacific at present. I think that is very good advice.

There are many other matters to which I might refer. I want to refer to the speech that my friend General Crerar made at the Canadian National Exhibition. He asked the government of the day, "Are we secure, or are we not secure"? I asked the Prime Minister the same question. I asked the Minister of National Defence (Mr. Claxton) the same question away back last spring. Are we secure, or are we not secure if we were invaded from the east and west, the front door, the Atlantic, or the back door, the Pacific? We are apt to be invaded as we were in 1914 and 1939. I can tell you that we have not the security which we should have. We can no longer depend on the British fleet to defend our shores. They protected our shores for four centuries, in the days of Louis XIV, Philip of Spain, and Napoleon and later against the Kaiser and Hitler. For generations there was nothing but the command of the sea that saved the dominions. A million men went into the war of 1914. They enlisted under their own status, under their own autonomy and under their own sovereignty. A hundred and forty thousand of them fell on the field of battle, and what they did in the first war changed the whole history of the world.

In the second world war what did they do? They enlisted in five to ten times the number. They enlisted voluntarily, not to fight for Britain but to fight by her side against the enemies, and they came in much larger array, on land, on sea and in the air, and we saw the result of it. They came to the aid of the mother country. The dominions were the only ones who were supporting her, and they had to go on for nearly three years before anybody came to their support. What they did saved the whole human race and the whole world.

I believe that General Crerar was quite right in what he said at the Canadian National Exhibition on Warriors' Day. He wanted to find out if we were secure. I say that we are not secure. It is the duty of the government to inform the house and the country whether we are secure or not. Depending on

the UNO will never get us any security. It is the biggest tower of Babel that I know of. The UNO seems to be the cornerstone of the government's policy. Even the right hon. leader of the house when he was Secretary of State for External Affairs felt that way about UNO. I believe it was on the last day he was Secretary of State for External Affairs that he gave an address in the house—I think it was June 25—in which he said that the cornerstone of the policy of the government was based on the United Nations. Well, if it is, it is the biggest talk fest that I know of. It has got this house and the Senate beaten forty ways. We have had that kind of a pact for many years. It was the league of nations. This is not the first time we have had a league of nations. They had it over a hundred years ago. Away back in 1815 they established a league of nations, between Prussia, Austria and Russia, the three powers that are causing us all this world trouble today. It was known then as the Holy Alliance. It lasted from 1815 to 1823, when the great Prime Minister, George Canning, decided to get out of Europe altogether. What did it do? Well, it led to the Monroe doctrine. What was the Monroe doctrine? I can tell you what it was. It was the supremacy of Britain on the high seas. That is what the Monroe doctrine was first, last and always, and always will be. It saved the world in the four centuries I named, and it will save it again.

With regard to the particular address of General Crerar, I believe he was absolutely correct. We have no security, nor have the other dominions. We do not know where we are going. Russia and her satellite countries now have over 400 divisions ready to take the field. That is what they have at the present time. They may march; you can never tell. What is going to become of us? They have set the world in darkness for so long that the pact to which I have been referring should have been brought about long before this.

Mr. Churchill made a speech at Fulton in 1946. Right up until 1948, in spite of his warning, the western democracies did nothing to arouse the countries of the world to the real situation. However, last fall those democracies became more alert to the grave danger facing them. We heard the Prime Minister of Canada (Mr. St. Laurent) speak in this connection on April 5 and 6 in the House of Commons and I, too, said that I thought something should be done. I pointed out that we could not depend upon Britain to do it for us.

On that occasion I read certain questions into *Hansard,* setting out what the United States was doing in the matter of submarines. We have no large submarine. Admittedly we have none this year. In the address I made on that occasion I referred to many other matters. During the second world war a secret session was held in the House of Commons, at which time it was learned that submarines had come up the St. Lawrence river as far as Riviere du Loup. While I was visiting the hon. member for Temiscouata (Mr. Pouliot) in August, 1947, I saw the cove which those submarines had used.

Surely we will not depend upon the United States much longer. I believe General Crerar was right in his recent statement, and I now ask the Minister of National Defence (Mr. Claxton) to answer this question: Are we or are we not going to be invaded? I asked the same question in the House of Commons in 1938, when I saw a second war coming. On that occasion I moved the adjournment of the house to see whether, if war came, we would be invaded.

We have gone through a war caused by Hitler. I believe we have no security at the present time on the sea, on the land or in the air. We depend entirely upon Washington, and in my opinion that is one of the greatest mistakes we have made. We have been surrendering too much politically, economically and financially to Washington. I have great admiration for the people of the United States, and always will have. However, I believe we follow them too much.

Let me in conclusion say a word about the *Noronic* disaster which occurred over the week end. Since I have been a member of the house I have tried to have the government realize its responsibility in matters of this kind. Since I have been a member I have repeatedly mentioned the lack of any proper or adequate life-saving equipment on our rivers and on the great lakes.

Some hon. members are from Ontario and the maritime provinces. I can remember a time away back in 1927 when men who had served at St. Julian and Vimy Ridge and other famous battlegrounds had to depend upon an American life-saving station. That is a fine basis for nationalism in this country!

Ever since I came to the House of Commons I have been advocating adequate and proper life-saving equipment. We need a maritime commission for the great lakes. Why should our present commission operate only for the benefit of one section of the country, and at the expense of the rest? I repeat that not only do we need a maritime commission for the great lakes, but that we must have proper life-saving equipment.

Hon. members will recall what happened to the *Northumberland* last spring. I know,

too, its sister ship, the *Dalhousie City*. I know that the Northumberland was in commission for six weeks, but that government officials did not know anything about it. That boat burned at the dock in Port Dalhousie. It is a wonder it did not go to the bottom of the sea long ago. It came originally from Prince Edward Island.

The tragedy which occurred in Toronto last Saturday took place on a guest ship, and I say a proper inquiry should be made into what happened. We do not want any whitewashing, because in our city we have nothing to hide. As the founder of the present harbour commission in Toronto, I can say that we expect something better than that from the government.

The tragedy which happened in connection with the *Noronic* might just as easily happen to the *Cayuga*. We know that something similar did happen to the *Northumberland;* and it might happen at any time on any of our inland waterways and lakes.

While I was in the Muskoka district—and I spent only five days there—I saw a boat carrying 1,460 passengers. I do not wish to criticize the owners of that boat, because I believe they are good people; but I can say that on that same lake there was an accident last spring when people in motor boats carrying passengers to Bala struck a reef which destroyed the boats and drowned the passengers.

The hon. member for St. Paul's (Mr. Rooney), who is a member of the Royal Canadian yacht club, knows that this life-saving station is necessary. Why have we not proper life-saving stations all along the great lakes? Shipowners need federal aid in this matter. We have no such stations either on lake Erie or lake Ontario or on the upper lakes. In the United States this service is under the control of the United States navy, and it is personnel from the navy who man these stations. But along the St. Lawrence, and at points like Port Dover and Port Burwell, we have not that service.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

Mr. Church: Mr. Speaker, I wish to finish the few remarks which I was making regarding the great disaster which happened in the city of Toronto early Saturday morning. I was speaking about that when the house rose for the recess. Since I have been a member of the house I have pointed out to the government that their first duty, as I see it, is to look after the health, wealth, happiness, peace and prosperity of the citizens of Canada.

[Mr. Church.]

Let us say a citizen gets on a boat travelling on the inland waterways of Canada. He does not know what is going to happen to him. I was comparing the facilities on the two sides of the great lakes. Let us suppose that the space between here and the government benches represents lake Ontario. There is the south shore with the Niagara river and New York state. On the north shore there are several towns and cities, and the same thing applies to lake Erie. What facilities are there to protect anyone who gets on a steamer on these lakes? You start away down on the south shore at Brighton and Belleville, and you call at Cobourg and all those intermediate ports right up to the city of Toronto. There are no life-saving facilities on that waterway.

What is there on the United States side of the lake? The war department of the United States is in charge, and there is a wide difference between the two countries. On the United States side, under the protection of the navy, they have coast guard stations. There is a station at Charlotte, and there are stations right down to Buffalo. There is a large station at Buffalo. There are stations at Geneva, Erie, Ashtabula, Cleveland, all the way along right up to Detroit, and then on up the great lakes.

There has been a great disaster. I am glad to see the Secretary of State for External Affairs (Mr. Pearson) coming into the house because he represents a maritime constituency in Ontario. I can tell him that, since I have been in the house, on several occasions on the upper lakes in the late fall there have been storms which have not only wrecked ships but have also taken the lives of men who served at Vimy Ridge, St. Julien, and other places in the first war, and also the lives of some who served in the second war. Not only have ships been sunk and lives lost; there has also been the loss of cargoes of grain on lake Superior and the other great lakes.

Are there any facilities on the Canadian side? No, not at all. There is not an adequate life-saving station on the great lakes today. For that reason I proposed in the house last spring that we should have a maritime commission for the great lakes. What happens when these men are faced with disaster? All they can do is sound their sirens and hope that by the grace of God—and many of them are returned men—they may blow hard enough that the crew of some United States life-saving station will come to their rescue and save their lives.

If that is a form of nationalism in this country I am surprised to see it because many of these sailors are returned men. Many of them have been drowned, some from

Collingwood, some from Owen Sound, some from Meaford, and from many other places. At last we have in this house many younger members who are interested in the municipalities. I know they are, and I know that they are men who will advance sane and sensible ideas if they are asked privately about this question.

It is the duty of the government to establish life-saving stations on the Canadian side of the great lakes. Why should we have to depend on the United States life-saving stations when an ex-soldier or a sailor is drowning? Is it any wonder that we cannot get enough men in the merchant marine to man the ships? Something has to be done about it. We need a maritime commission for the great lakes. We need a life-saving system for the inland waterways of Canada. What is there on the inland waterways of Canada today? There is only a rowboat. When I took over the Toronto harbour commission I came to Ottawa to see the Minister of Marine and Fisheries, Mr. Hazen, a wonderful man who rendered brilliant service in the first world war, the father of the former member for Saint John-Albert.

What did they have on the great lakes? There was a boat about as long as from here to the desk of the hon. member opposite. It had oars in it and all that kind of thing. That was all that was available as life-saving apparatus. We have no life-saving stations on the great lakes, and many of these disasters have happened. The same thing that happened to the *Noronic* in Toronto on Saturday last might well have happened to the *Cayuga,* to the boat running to Port Dalhousie. One of the two boats running to Port Dalhousie was burned at the dock. What did the officials say? They answered me by letter and they said, "Oh, the boat has not been on the route yet." I used to see that boat on its way out, an old dilapidated ship which came up from the maritimes forty years ago and was put on the run to Port Dalhousie. The officials said she was not on the route yet. I saw the boat making two trips a day, one at about 8.15 in the morning and one at about 2.30 in the afternoon. The old *Northumberland* was on the route for about four weeks and yet they said she had not made any trips yet.

She was burned at the dock—and there is no life-saving station at that port. What I say is true of the inland waterways. At lake Simcoe people call the Toronto life-saving station when somebody drowns. I referred to the hon. member for St. Paul's (Mr. Rooney) this afternoon. He has seen the truck of the Toronto life-saving station go up there. That service is paid for by the taxpayers of Toronto and costs about $80,000 a year. The people at lake Simcoe, Huntsville and other places simply telephone for the Toronto life-saving service to come up and find the drowned persons.

That is about all I have to say. We want a proper inquiry into this disaster, not a whitewashing inquiry. We do not want any whitewash. We want to know the facts. The people want the truth, the whole truth and nothing but the truth. They are not getting the truth and the facts about the case. I do not see why anybody from the municipalities should object to having us know what happened to the ship. It is a guest ship and they can do what you cannot do under the Canada Shipping Act, that famous statute. They want to have an inquiry under that act instead of a proper inquiry under the federal Inquiries Act. A proper inquiry should take place.

I hope the day is not far distant when we shall go back to preferential trade. We know what that has done for Canada. We all know what the great Joseph Chamberlain did in his lifetime for the city of Birmingham. He created the policy of preferential trade. The first time we ever had it was under Sir Wilfrid Laurier and Mr. Fielding. They proposed to give six cents a bushel on grain; and my former leader, Lord Bennett, was very much in favour of it. Let us forget all about isolationism and separatism in all these things. Let us go back to the old way of doing things.

Where would this country have been in the early thirties, when we were on the gold standard, off the gold standard and on the gold standard again, had it not been for preferential trade with the dominions? What was true then is true today. That policy was founded in 1897 by Sir Wilfrid Laurier, who was one of the authors along with Mr. Fielding. What was good for the government of that day should be good enough for the present government.

We should have trade with our sister dominions who stood with us in the two wars. Had it not been for the aid given by the dominions to Great Britain we would have lost the first war. We had to wait some time before our friends to the south came in. Then in the second war the dominions had to come to the side of the mother country, only in ten times the strength. It saved the whole world before Pearl Harbor, before the United States came in.

This country should buy from the mother country. Preferential trade should be restored. That is what saved this country away back in the thirties when Lord Bennett was the leader of my party. That policy increased trade between Canada and Great Britain 43

per cent, and it increased Great Britain's trade with the dominions 41 per cent. Not only that, but Canada increased her foreign trade with the countries on the seven seas.

A magnificent trade exhibition was held in Toronto under the auspices of the Minister of Trade and Commerce (Mr. Howe). We were able to see what Australia, New Zealand and other dominions were offering. We should trade with our sister dominions as much as possible and re-establish the system of preferential trade. I believe the future of Canada depends on that. This is what Sir John Macdonald said in 1844:

> I, therefore, need scarcely state my firm belief that the prosperity of Canada depends upon its permanent connection with the mother country.

And then in 1891 he said:

> For a century and a half this country has grown and flourished under the protecting aegis of the British crown. Under the broad folds of the Union Jack, we enjoy the most ample liberty, we govern ourselves as we please, and at the same time we participate in the advantages which flow with association of the mightiest empire the world has ever seen. As for myself, my course is clear. A British subject I was born and a British subject I will die.

That spirit still lives and breathes in this country today, no matter what may be said to the contrary.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, since it appears that the Minister of Finance (Mr. Abbott) is not to make his statement on the exchange situation until nine o'clock, I rise to speak in support of the amendment moved by my leader, the hon. member for Rosetown-Biggar (Mr. Coldwell), which reads as follows:

> We regret, however, that Your Excellency's advisers have failed to propose legislation to remove the means test from the old age pension.

Frankly, I do not see how any hon. member of this house can vote against that amendment. A proper old age pension, free of the means test, is now part of the platform of every political party in this country. I remind hon. gentlemen opposite in particular that, during the recent federal election campaign, Liberal after Liberal contended that that was one of the things he would fight for if elected, namely, the abolition of the means test. I heard over the radio, from the lips of Liberals in the part of the country from which I come, the statement in strong terms, "The means test must go." Those who gave expression to that sentiment during the election campaign have the opportunity to vote that way when the vote is called on this amendment. I am sure that many Liberal members of this house who are new to this chamber will, when they look at the amendment, say that that is something that they want to vote for. I hope that they will vote the way they really feel, the way their constituents expect them to vote.

This whole question of a proper old age pension is something that it has taken time to popularize in this country. When old age pensions were first being proposed on the floor of this house in the middle twenties there was strong criticism of the idea. As hon. members know, the first Old Age Pensions Act that was passed in this house was turned down in the other place. In the meantime, largely through the efforts of my predecessor, the late Mr. J. S. Woodsworth, former member for Winnipeg North Centre, and of this party across the years, it has been accepted by the Canadian people that as part of our national economy there should be a proper retirement plan.

I have no doubt that one reason why many people voted Liberal on June 27 was that they felt even the Liberal party had become convinced of the need for a proper old age pension plan. They felt that if given another chance in addition to all those chances they had had so far the Liberals would bring in a proper old age pension plan. I know, as do all hon. members, that at the present time we are facing grave international problems with which this house must cope, but I insist that we must not let our concern for those broad international problems blind us to the necessity of dealing with our domestic problems and of setting our internal house in order in the best possible way we can. High on the list of our domestic problems is the need for a proper retirement plan.

As hon. members who have been here before are aware, I have given most of my time in the speeches I have made on the address in reply to the speech from the throne to this question. Through the years I have tried to document our case with figures which I have been able to secure from the bureau of statistics, from the Department of National Health and Welfare and from other sources. Hon. members will recall that in March, 1948, I gave figures which I had obtained from the bureau of statistics, particularly from a report having to do with the changes in our population structure, which showed that through the years we are becoming a nation with a larger number of older people. To be specific, the figures given out by the bureau of statistics show that whereas in 1941 only 6·7 per cent of our Canadian people were sixty-five years of age and over, by 1971 10·1 per cent of the people in this country will be sixty-five years of age and over. In other words, the necessity for grappling with this problem increases as the years come and go.

That same bureau of statistics pointed out in that same report that, not only is the per-

centage of older people increasing, but so is the percentage of those in the working brackets. In other words, the bureau of statistics pointed out for all members of this house and all parties to see that the increased problem of providing proper retirement for our older people can readily be met by reason of the fact that there is an increasing number of people to do the work, to produce the wealth out of which to set aside a share for a proper retirement.

In March of this year I dealt with another phase of this problem, pointing out that, despite all of the efforts being made by private enterprise and through government action to set up pension plans, as yet we are hardly scratching the surface of the problem. The figures I gave related to the total number of people in our country who are trying to provide for their old age, including those in the civil service, those who are buying government annuities, those who are contributing to various pension plans in private industry, and those who are buying the kind of life insurance which will provide for their retirement. When those figures were all put together—I need not repeat them now but they can be found in *Hansard* of March 3, 1949—they showed that the best we are doing at the present time enables only about one in eight of our people in the working group between the ages of twenty and sixty to make provision for their old age.

I pointed out at the time that it was not to be assumed that that one in eight is making adequate provision, for in many cases the provision being made is extremely meagre. But that whole set of figures underlines the fact that this is a problem with which we have scarcely started to deal.

One of the reasons I dealt with that phase of the problem last March was the fact that a little over a year ago a publication issued by the Canadian Manufacturers Association published a story to the effect that private enterprise was doing a good job in this field. After reading this story, rather than argue with it, I felt it was a subject worthy of investigation. To my amazement, after I had given this analysis of the situation in the house in March of this year, that same publication, which is known as *Industry*, published by the Canadian Manufacturers Association, made reference in its issue of April, 1949, to the speech I had made. I shall not take the time to read the whole of the article dealing with my speech, but what the article attempts to say is that I, in fact, proved the very point the Canadian Manufacturers Association was trying to establish. What they were trying to point out, and they are perfectly right in it, is that about half of the pension plans now in effect are under the direction of private industry. In dealing with it in the house, this publication says I simply proved that point. In other words, the Canadian Manufacturers Association completely overlooks the point I tried to make then, and which I repeat tonight, namely, that when you give full credit to everything private industry is doing, full credit to the life insurance companies, full credit to the government annuities program, and full credit to the civil service pension plans of all governments in this country, the fact remains that only about one in eight of our Canadian people between the ages of twenty and sixty is in a position to provide for their old age.

These facts simply underline the necessity of getting on with this problem early in the life of this new parliament. I repeat, there are great international problems with which this parliament must deal, but that must not blind us to the fact that these domestic problems are equally important. We in this group welcome the references in the speech from the throne to the discussions as to ways and means of amending the British North America Act within Canada. While the speech from the throne does not say so, it seems to be taken for granted, and we hope correctly, that one of the fields in which there is interest, so far as amending the British North America Act is concerned, is this field of social security. According to those who write in our various publications about what is in the government's mind, that sort of amendment is high on the list; that is what the government wants to be able to do, to make the necessary amendments to the British North America Act so that this whole question of social security can be put on a proper footing.

With respect to that, there are two things I should like to say. On the one hand, I stress the point that it is not necessary to wait for an amendment to the British North America Act to remove the means test from the present Old Age Pensions Act. That is what the amendment of my leader, which I have had the honour to second, calls for at this time. I suggest that in view of the pronouncements made by all parties, in view of the pronouncements made by candidates who have been returned to this house that they would support that sort of thing, such an amendment should be approved. It should be an instruction to this government to bring forward—immediately—legislation to remove the means test from the Old Age Pensions Act.

A further reference I wish to make about seeking ways and means of amending the British North America Act—I am going to speak quite frankly—is that we do not want another round of political footballing over the

British North America Act so far as old age pensions are concerned. Four or five years from now we do not want another election on the issue of social security, with the Liberal party going to the country and saying, "We tried to do it, but this province or that province interfered." This time I hope the government will approach the provinces in a manner that will bring forth co-operation and get this job done. It is not going to be satisfactory to the Canadian people in 1953 or 1954 to throw out the Liberals because they did not bring in a proper social security plan. What the people of this country want is for this parliament, this government which they put in power, to do the job now.

In common with a good many members of this House of Commons who have come back for another term, during this past week I have spent quite a few hours going through my filing cabinets with a view to getting rid of some of the material that has piled up over the years. One thing that has amazed me has been the number of files relating to old age pensioners that need no longer be retained because those people have passed away without having had the opportunity of enjoying a decent old age pension which this parliament should have given them. I hope there will be no more delay in connection with this measure.

Mr. Speaker, it is our contention that something should be done about the Old Age Pensions Act immediately, and we feel there are other things that should be done as well, such as the raising of the amount and the lowering of the eligible age, and so on. For the purpose of this debate, however, we have tried to pinpoint our attack on one item, namely, the means test, and that is the issue now before the house.

In addition to amending the Old Age Pensions Act, there are other ways in which the government could show its interest in social security, its interest in the welfare of the old people. I have raised in this house on many occasions the plight of our superannuated civil servants. Members who were here in the last session of the last parliament will remember that, towards the end of that session, a prolonged debate took place during which the members of all parties called upon the government to reverse its stubborn position in this matter and do the fair thing by these retired civil servants. That is something they could do right now to show they are genuinely interested, not in just talking about it or using it as a campaign slogan during elections, but in doing something for our older people.

Another way in which something could be done in the broader contributory field in which we are interested is by bringing in a railroad retirement act similar to that in the United States. Again, I will not take the time to go into it because I have done so a good many times before; and what has interested me in this chamber, when I have argued the case for a railroad retirement act, is that despite the fact that some hon. members regard me as a nuisance on these matters and despite the fact that members are opposed to me politically, the house has always followed with interest my appeal for a proper railroad pension plan.

I mention railroad workers in particular because they are a group whose labour relations are already under federal jurisdiction. In other words, it seems to me that no amendment to the British North America Act is required to bring in a railroad retirement act for workers who come under federal jurisdiction. There again is a chance for this government with its huge majority to show whether it is interested in over-all social security, whether it is interested in getting something started, or whether we are in for another four or five years of political footballing over the British North America Act, with the result that nothing gets done.

I also want to say a few words about the need for more definite and progressive steps in the field of national health. My leader referred to this subject again this afternoon. It too is one of the fields in which we feel that the people of this country expect fulfilment during the course of this parliament, and they do not expect this government to wait until the eve of the next election. They want action now.

In this whole question of doing something for the health of our people there are three main fields in which action must be taken. In the first place, provision must be made of adequate equipment and personnel—hospitals, doctors, technicians, nurses, dentists and so on. In the second place, there must be health insurance to enable the people to pay for the services. It is no use having the best services and the best doctors available if people cannot afford to make use of them. In the third place there is required in a great many cases in this country, and increasingly so, a sickness benefit to take the place of the pay envelope that stops when the worker is off sick. Despite all the publicity that has been given and all the talk about the forward steps being taken by this government in the field of health, this government has so far really dealt with only the first of these three things. It has asked parliament to provide money, and parliament has done so readily, to assist in the building of hospitals and in the providing of the necessary equipment. But literally nothing has been done in the

field of health insurance. We are asked to vote a little bit of money for health insurance studies, but even that in former years had never been fully expended. And nothing at all has been done in the field of providing a sickness benefit. When we have raised this question in discussions related to the Unemployment Insurance Act and have pointed out the need for a benefit for unemployed people when they are sick, we are told by the Minister of Labour (Mr. Mitchell) that actuarially that cannot be done by him, that it has to be part of an over-all social security plan. We agree, but the time to get such a program going is now when this government sits here in this parliament with an overwhelming majority and can do not only whatever it wants to do but what it has promised the people of this country that it will do.

There is just one other question, Mr. Speaker, about which I should like to say a few words tonight. It is in a slightly different field, but I am going to take this opportunity to speak about it because I feel it is extremely important and because of the promise which the Minister of National Revenue (Mr. McCann) made to me on Friday last, to the effect that he would give an answer to my question early this week. The minister might ask why I do not wait until I hear his answer, but my fear is that, if I do not give him some of the arguments in advance, he might give the wrong answer.

I refer to the whole question of the right of trade unionists to deduct their trade union dues from their taxable income for income tax purposes. As hon. members who were here in the last session will know, it is the case that certain groups of people are permitted to deduct, for income tax purposes, the fees they pay to the professional societies to which they belong. That deduction applies particularly in the case of lawyers, and there is a notable exchequer court decision of a few years ago which makes it clear that it applies to lawyers not only when they are working on their own but also when they are employed by a firm and paid a stated salary. For a long time it has been the contention of the trade union movement that if lawyers are allowed to deduct, for income tax purposes, the fees to the law society which they have to pay in order to practise law, so should trade unionists, who have to be members of their trade union in order to carry on in their trade, be permitted to make a comparable deduction.

This matter was brought to a head in a legal way by two Winnipeg trade unionists—they were moving-picture projectionists—who in 1945 claimed this deduction, and when it was denied to them by the income tax authorities they appealed and eventually took the case to the Exchequer Court of Canada. This year, I believe on June 8, the exchequer court in the person of Mr. Justice Angers issued a judgment in favour of these two trade unionists. The position taken by the judge of the exchequer court was precisely the one that we had been taking through the years. He pointed out that if, under the section that was in the act, it was possible for lawyers to deduct their fees to the law society, there was no reason why trade unionists should not have the same privilege and be permitted to deduct their fees to their trade union.

As I say, that decision was handed down on June 8, but it did not reach the newspapers until about the middle of the month. I know that in trade union circles the decision was greeted with a great deal of satisfaction and it was felt that here indeed was a fair decision on the part of the Exchequer Court of Canada. But, lo and behold, within a day or two the officials in the income tax department began issuing statements which reached the press, and these same officials threw cold water on the idea that trade unionists henceforth were to be able to avail themselves of this privilege. Nothing was said by the Minister of National Revenue himself, so far as I could find in the papers, and I doubt if anything was said by his deputy. But these well-placed, well-informed officials told the press that this 1945 case could not be taken to apply across the board. In the main they said two things. First of all, they said that no trade unionist who did not claim this exemption in 1945 can get it now, as can these two men who took it to court, because the time for appealing has elapsed. That could be understood. One could see the administrative difficulties if it were possible to go back over three or four years and get all these exemptions. My colleague, the hon. member for Vancouver East (Mr. MacInnis), points out that the income tax people could do that, and he is perfectly right. They reassess the returns of corporations, and there really is no reason why they could not reassess the returns of individual trade unionists right across the board.

Mr. Smith (Calgary West): They do that for individuals now.

Mr. Knowles: Good. I am getting even more support than I had expected, and I am glad to have it. The point I want to make is that the other statement made by these officials was, to my way of thinking, more serious and more ominous. In fact it seems to me nothing more or less than a defying of the decision of the courts. The other pronouncement made by these unnamed officials in the Department of National

Revenue was that, in the meantime, the act had been changed and we are now under the 1948 Income Tax Act rather than under the old Income War Tax Act of many years' standing, amended time and time again. Well, I have compared these two acts, namely, the one that was in effect in 1945, the Income War Tax Act, and the new Income Tax Act, which is in effect now. There is a slight change in the wording of the relevant section, but it seems the meaning is clear. Although I am not a lawyer I do not see how any judge who made the decision that Mr. Justice Angers made on June 8 could fail to make the same decision if in the case of a return for the year 1948, under the new act, trade unionists were forced to take their case to the exchequer court again. It seems to me that if the government decides they are not going to allow these deductions, but are simply going to force the trade unionists to go to the exchequer court again, they are just delaying justice, and certainly the trade unionists of this country will wonder what kind of action this is on the part of the government. After all, respect for the fairness of the courts is one of the cardinal principles of our democracy, and it does seem to me that this decision, recognized to be eminently fair, should be implemented in full by the officials of this department, and by the government.

In the old Income War Tax Act, as it was in effect in 1945, the section under which lawyers were allowed to deduct their fees to the law society, and the section under which Mr. Justice Angers decided that trade unionists should have the same right, was section 6, subsection (1), subparagraph (a). It is under the sectional heading "Deductions from Income Not Allowed". The section reads:

> 6. (1) In computing the amount of the profits or gains to be assessed, a deduction shall not be allowed in respect of
>
> (a) disbursements or expenses not wholly, exclusively and necessarily laid out or expended for the purpose of earning the income;

That is put in the negative form. The positive form means, as it meant to Mr. Justice Angers, and as it meant to the income tax department in dealing with lawyers, that if the expenditure was made wholly, exclusively and necessarily for the purpose of earning the income it could be deducted.

That clause has been changed. Here is its wording in the new Income Tax Act. It is section 12, subsection (1), subparagraph (a), and reads as follows:

> 12. (1) In computing income, no deduction shall be made in respect of
>
> (a) an outlay or expense except to the extent that it was made or incurred by the taxpayer for the purpose of gaining or producing income from property or a business of the taxpayer;

[Mr. Knowles.]

Again it is put in the negative form. But put it in the positive sense and it says that you can claim a deduction if the outlay or expense referred to was made or incurred for the purpose of gaining or producing income from property or a business of the taxpayer. I suppose there might be some quibbling over the question of what a business is, but that is most unlikely. Surely if the law is a lawyer's business, printing is a printer's business and blacksmithing is a blacksmith's business. Since these workers have to pay their trade union fees in order to practise their trade, just as the lawyers have to pay fees to the law society in order to practise law, the case is surely all on the same level.

I know that there is very keen feeling about this question amongst trade unionists generally, and I would hope that if the Minister of National Revenue (Mr. McCann), in getting ready the statement that he is going to make early this week, has not already decided to give a favourable answer, he will take these considerations under advisement. I am sure that hon. members, regardless of party, even as last April they agreed with me in the position that I took then, will agree with me that in all fairness there is no question but that trade unionists should be allowed these deductions.

There are many other things that we in this group might talk about, but I see the Minister of Finance (Mr. Abbott) has come in, and perchance he is ready without waiting until nine o'clock to make the important statement that this house is waiting for. Therefore I shall not detain the house longer. I just want to say—

Some hon. Members: Hear, hear.

Mr. Knowles: New members will soon learn that they do that every time I speak.

An hon. Member: Then why do you speak?

Mr. Knowles: That is the reason Winnipeg North Centre sent me back here—to speak, and to speak about these things.

I just want to say, Mr. Speaker, that despite all the things that are being said at the opening of this parliament about the fact that we do accept the decision of the people, in that we have a parliament with an overwhelming Liberal majority, that imposes upon that Liberal majority the obligation not to sit here complacently, but to fulfil the promises that they made. If they do not, it will not be long until the people begin to wonder whether they did not make a mistake. Many of those who voted Liberal are doing that already. I call upon this government to get on its toes, and I call upon the back-benchers who are here in such overwhelming numbers to see to it that the government delivers the goods.

I suggest that there is no better place to begin than in the fields I have been talking about tonight, namely, in a broader and better old age pension plan, in a proper health plan for the Canadian people, and in doing something about this injustice to the trade unionists of this country.

Mr. Smith (Calgary West): In spite of your speech I agree with you.

The house divided on the amendment (Mr. Coldwell) which was negatived on the following division:

YEAS

Messrs:

Adamson	Hatfield
Argue	Herridge
Balcer	Higgins
Beyerstein	Hodgson
Black (Cumberland)	Johnston
Blair	Jones
Brooks	Knight
Browne (St. John's West)	Knowles
Bryce	Low
Cardiff	MacInnis
Casselman	McGregor
Catherwood	Murphy
Church	Noseworthy
Coldwell	Pearkes
Courtemanche	Quelch
Coyle	Rowe
Diefenbaker	Shaw
Drew	Stewart (Winnipeg North)
Fair	Thatcher
Fleming	Thomas
Fraser	Tustin
Gagnon	White (Hastings-Peterborough)
Gillis	Wright
Green	Wylie—50.
Hansell	
Harkness	

NAYS

Messrs:

Abbott	Cruickshank
Anderson	Darroch
Applewhaite	Decore
Ashbourne	Dewar
Bater	Dickey
Belzile	Dion
Benidickson	Douglas
Bennett	Dumas
Bertrand	Elderkin
Blue	Eyre
Boisvert	Ferrie
Bonnier	Follwell
Boucher	Fournier (Hull)
Bourget	Fulford
Bradley	Garland
Breithaupt	Garson
Brown (Essex West)	Gauthier (Lake St. John)
Bruneau	Gauthier (Sudbury)
Byrne	Gauthier (Lapointe)
Campney	Gauthier (Portneuf)
Carroll	George
Carter	Gibson (Hamilton West)
Cavers	Gibson (Comox-Alberni)
Chevrier	Goode
Claxton	Gour (Russell)
Cleaver	Gourd (Chapleau)
Conacher	Gregg
Corry	Harris (Grey-Bruce)
Coté (Matapedia-Matane)	Harrison
Coté (Verdun-LaSalle)	Hartt
Cournoyer	Healy
Hellyer	Maybank
Helme	Mayhew
Henderson	Murray (Oxford)
Henry	Murray (Cariboo)
Hetland	Mutch
Hosking	Pearson
Howe	Picard
Huffman	Pinard
Hunter	Power
Isnor	Proudfoot
James	Prudham
Jeffery	Richard (Gloucester)
Kent	Richard (Ottawa East)
Kirk (Digby-Yarmouth)	Riley
LaCroix	Robertson
Lafontaine	Rooney
Laing	St. Laurent
Langlois (Gaspé)	Simmons
Lapointe	Sinclair
Larson	Sinnott
Leger	Smith (Queens-Shelburne)
Lesage	Smith (York North)
Little	Smith (Moose Mountain)
Macdonald (Edmonton East)	Stewart (Yorkton)
MacDougall	Stick
MacKenzie	Studer
MacLean (Cape Breton North and Victoria)	Thomson
MacNaught	Viau
McCann	Warren
McCulloch	Weaver
McCusker	Weir
McIvor	Welbourn
McWilliam	Whiteside
Major	Whitman
Martin	Winkler
Matthews	Winters
	Wood—135.

Mr. Gardiner: I was paired with the hon. member for Souris (Mr. Ross). Had I voted, I would have voted against the amendment.

Mr. Mitchell: I was paired with the hon. member for Waterloo South (Mr. Homuth). Had I voted I would have voted against the amendment.

Mr. McCubbin: I was paired with the hon. member for Middlesex East (Mr. White). Had I voted I would have voted against the amendment.

Mr. Adamson: As the house is anxiously awaiting the statement by the Minister of Finance (Mr. Abbott), I move the adjournment of this debate until later this day.

Motion agreed to and debate adjourned.

FOREIGN EXCHANGE

ADJUSTMENT OF 10 PER CENT IN EXCHANGE VALUE OF CANADIAN DOLLAR

Hon. Douglas Abbott (Minister of Finance): Mr. Speaker, if I could have the unanimous consent of the house to revert to motions, I should like to make a statement with respect to Canada's exchange rate.

Hon. members are aware, of course, of the details of the important announcement which was made yesterday afternoon by the Chan-

cellor of the Exchequer of the United Kingdom, and which has been followed by announcements from other capitals.

As the chancellor has said, the United States and Canadian representatives to the tripartite discussions in Washington were informed at the outset of the ministerial talks that the government of the United Kingdom had taken the decision to devalue the pound sterling. However, at that time the United Kingdom government had not yet decided what the extent of the devaluation would be. The proposed new parity of the pound sterling was communicated to us in a message from Mr. Attlee to the Prime Minister on Friday.

The government had immediately to consider Canadian policy in the light of this development. It was clearly not possible to give full consideration to this matter until we had more knowledge of how many, and what countries, would follow the action taken by the United Kingdom and the extent of the exchange rate adjustment, if any, that they would put into effect. We felt it desirable to await the more complete information which would be available during the course of today. Consequently, I issued the following statement last evening:

In view of the decision reached by the United Kingdom government, to devalue the pound sterling by 30 per cent, and of similar action which has already been taken by a number of other countries, the government of Canada has instructed the chairman of the Foreign Exchange Control Board to advise all authorized dealers and agents of the board not to deal in foreign exchange in Canada until the rates effective as from the opening of business Tuesday, September 20, are communicated to them by the board.

Before I go on to inform hon. members of the decision of the Canadian government, I should like to say a word of comment in regard to the British action itself. For some time it has been clear that a fairly radical re-alignment of some currencies was a necessary element in the readjustments required to balance international trade. The decision, however, was one which the countries concerned had themselves to take. The action which the United Kingdom has now taken constitutes a courageous and positive effort by the British people to do their part in the common endeavours that are necessary to provide the basis for a real and enduring recovery of world trade.

Since the end of the war we have been confronted with repeated dollar crises, each threatening to produce a breakdown in the economic relations between the democracies of the western world. These crises had their origin in the widespread economic dislocations and heavy losses caused by the war. Hon. members are familiar with the co-operative measures taken in the past to deal with these difficulties. First, there was the work of relief undertaken by UNRRA and the military authorities; then we had the establishment of the two international monetary institutions at Bretton Woods; this was followed by the extension of large loans and credits by the United States and Canada to the United Kingdom and other European countries. Finally there was the adoption of the Marshall plan, which has provided further substantial financial help from the United States. These measures have been highly successful not only in averting the incalculable consequences of economic and political collapse, but have been essential elements in the successive stages of physical reconstruction. With the help of these measures the peoples of western Europe have been able to perform the remarkable feat of repairing, in a few short years, the physical ravages of the most destructive war in history.

Although physical production has been largely restored, we have continued to face a most serious unbalance in world trade. The so-called dollar shortage has continued to get worse and has become all but universal. How to overcome the widening disequilibrium between the dollar and non-dollar world was the central task of the Washington discussions. Each of the participants was keenly and deeply aware of the consequences of failure. Unless the trend could be reversed the free world would, through the force of events, divide itself into two economic blocs. With this division there could not be a sound or lasting basis for political co-operation and security.

The problem was approached in the realization that these great issues were at stake. The atmosphere of co-operation and understanding in which the discussions proceeded could not have been better. Each side was prepared to re-examine its policies in the light of the adjustments that are required. The United Kingdom, the sterling area, and other non-dollar countries had to find ways and new incentives by which their dollar earnings could be quickly and substantially expanded. The dollar countries on the other hand would have to follow policies which would enable that expansion in dollar earnings to take place; and wherever possible undertake the removal of obstacles which stand in the way. The decisions taken by the government of the United Kingdom to achieve this common purpose were announced yesterday by the Chancellor of the Exchequer. The courses of action adopted by the dollar countries are clearly set forth in the communiqué issued at the conclusion of the Washington talks. Hon. members will agree

that these decisions and courses of action constitute a positive and comprehensive effort to achieve a soundly balanced and expanding world trade upon which the prosperity of Canada so greatly depends.

At this point may I say that I know I am expressing the sentiments of my colleagues, the Minister of Trade and Commerce (Mr. Howe) and the Secretary of State for External Affairs (Mr. Pearson), when I thank the hon. leader of the opposition for the generous references he made in his speech this afternoon to the contributions which we were able to make at those discussions.

The action taken by the government of the United Kingdom, and followed by many other countries, has, aside from the longer-run effects, important immediate implications for Canada as well. It is clear, now, that a widespread and substantial readjustment of currencies is under way.

The Canadian economy is bound to be affected by changes in the exchange rates of countries which take so large a part of our exports. We are bound to be affected also by any changes in prices which prevail in our most important markets and sources of supply.

In considering the immediate and prospective impact upon Canada we have to look particularly at our balance of payments and foreign exchange position. Because of the dislocations in world trade which have prevailed since the end of the war, foreign exchange policy has been a major factor in our affairs. Hon. members will recall the heavy loss in foreign exchange reserves which we experienced during 1947, owing to the inability of our customers in Europe to pay for a large part of their imports from us. The measures which we were obliged to take in November of that year to stop the drain were highly successful. A substantial current account surplus in our balance of payments was achieved during 1948, and our reserves of gold and United States dollars was increased from a low of $461 million in December, 1947, to $998 million at December 31, 1948.

However, at the beginning of 1949 it was clear that the worsening world dollar situation and our rising imports from the United States would result in a sharp reduction in our current account surplus. The current account surplus in our balance of payments has in fact been declining and it is now estimated that, for the year as a whole, it will in any case be very small. Consequently any developments which tend to bring about a reduction in the total value of our exports or an increase in our imports is likely to create a deficit in our international accounts. Such a deficit would result in a loss of exchange reserves.

While, as I have said, our exchange reserves have recovered substantially since the end of 1947, they have not been restored to the level which is adequate for our needs. In these circumstances it is highly desirable to pursue policies which would help to prevent a deficit in our trading position.

The substantial devaluation of currencies throughout the sterling area, and in many other countries as well, cannot fail to have important implications for our balance of payments position. Many of our exports are bound to face increased price competition in both the non-dollar and dollar markets. At the same time the extensive exchange adjustments abroad will tend to result in an increase in the total value of our imports. While we stand ready to co-operate with the efforts of overseas countries to expand their sales to us we cannot receive more imports from all sources without going into deficit in our international accounts.

In these circumstances the government has decided to adjust the exchange value of the Canadian dollar to the extent considered necessary.

Canada's basic position will continue to be strong. Our exports have been and will continue to be competitive. Our production is efficient and our costs are relatively low. Because of these underlying factors the government has felt that an adjustment of 10 per cent is appropriate. Such a change requires consultation with but not the approval of the international monetary fund. This consultation took place today. An order in council has therefore been passed adjusting our exchange rates on the basis of a 10 per cent premium on the U.S. dollar. The chairman of the foreign exchange control board has been instructed to advise all authorized dealers and agents of the board that rates effective as from the opening of business Tuesday, September 20, will be as follows:

	Buying Rate in Canadian funds	Selling Rate in Canadian funds
U.S. dollar	$1.10	$1.10½
Pound sterling	3.07¼	3.08¾

With the permission of the house, I should like to table as part of my statement a copy of a joint communiqué which was issued following the joint discussions in Washington. With the consent of the house, it might be convenient if it were printed as an appendix to *Hansard*.

(For text of communiqué see appendix A, pages 66 to 68.)

SPEECH FROM THE THRONE

CONSIDERATION OF DEBATE ON ADDRESS IN REPLY

The house resumed consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. Rodney Adamson (York West): My mind reverts back, Mr. Speaker, to the day in 1946 when the initial parity move was made by the then Minister of Finance, the Right Hon. James Lorimer Ilsley. That initial mistake has had dire consequences which have resulted in this evening's move. As the house will remember, the move was made as an anti-inflation measure. In other words, the excuse given for the then parity move was to cushion the Canadian economy against the rapidly rising prices in the United States. Since then the net result has been that practically every succeeding month has seen an increased basic cost of living in Canada until last month it reached an all-time high. Therefore, from the point of view of preventing an increase in the cost of living and an increase in the dangerous pressure of inflation, the move was certainly not a success. Particularly was it not a success when it is considered that the cost of living in the United States has been falling, not substantially but quite considerably, for some time. Our parity move, instead of cushioning us against increasing the cost of living, actually resulted in a continuously increasing basic cost of living.

Then, Mr. Speaker, we came through more and more difficult trading conditions until the move that has been taken tonight became more and more obvious as each succeeding week went by. The fact is that our hard currency reserves did for a time actually increase, but only owing to the stringent austerity moves taken in that famous radio speech by the Minister of Finance in 1947, and only because of the import controls put into effect. Those import controls are a direct negation of what we built this country on, namely free and open international trade. They were necessary because after the parity move our hard currency and gold reserves ran out at such a rate that not only had they passed the danger point but they were approaching a state of near exhaustion. That was the result of the parity move: a continued increase in the cost of living and the rapid diminution of our hard currency and gold reserves. We then proceeded by steadily retrogressive steps to impose travel restrictions, currency restrictions, import quotas, prohibitions and exchange control more and more rigidly until we approached a state of considerable austerity.

Many vital imports, even of foodstuffs and machinery, were restricted from the United States—a necessary action, Mr. Speaker, because of the rapid drain on our currency resources, but not a move favoured by a young and virile country with an expanding economy, not a move that this country took happily or gladly. We then saw a continuous and gradually worsening international trading situation. We saw bilateral deals, barter pacts, exchange controls, multiple values of currencies and other subterfuges raised by many of the countries in order to overcome the regulations of the international monetary fund and the Bretton Woods agreements. We saw these things sweep the world like a plague. We saw the world divided, completely divided into a dollar and a non-dollar area. We were in a dollar area and every minute of every day our trade with the rest of the world became more and more difficult.

It was even suggested by the foreign exchange control board itself that we should enter into barter deals with the rest of the world. In fact, I believe that actually one or two barter deals were consummated. I want to speak very briefly on what barter deals mean. Barter deals mean nothing but state trade. If we enter into barter deals it means that a government agency is responsible for the sale of our goods abroad. We have seen what happens in the sale of wheat, and now coarse grains and many other agricultural products. If we entered into barter deals as between country and country it would mean that our entire economic life would be in the hands of the central government. This is state socialism and nothing else. Fortunately the Canadian people and the more conservative members of the Liberal party rejected state trading, barter and bilateral deals. But the rest of the world, because of the division of the world between dollar and non-dollar areas, was forced to take these steps, and as each new barter deal was consummated between other countries it was just one more area from which Canadian goods were excluded.

Some months ago it was calculated that nearly five hundred individual bilateral barter deals had been made throughout the rest of the non-dollar world out of a total possible of some 700. That is nearly three-quarters of all the non-dollar trade, and the non-Marshall trade was being done by barter agreements. That was a situation that Canada simply could not tolerate. This country was built on export trade, but it was built on multilateral and free export trade. We, in our own right, have built up the greatest per capita export trade of any country in the world. Not only that, but there is no country in the world which depends on export trade to the extent

that we do in Canada. We depend on export trade and we are more vulnerable in the present situation than either the United Kingdom or the United States. That is a fact which is not generally appreciated by the public in Canada.

If our export trade fails, if we are unable to export the produce of our mines, our forests, our farms and our manufacturing industries, the economy of Canada comes to a standstill. That is the situation with which we are faced. There were two ways out of it. There was the way which the government has just taken. I would remind you, sir, of the ridicule, and scorn, heaped upon myself and my leader when we proposed the 10 per cent devaluation, which has just taken place, as one of the steps necessary to re-adjust our currency position. We were told, Mr. Speaker, that 10 per cent was a useless palliative, and would not cure the ills that beset this country. Fifteen minutes ago they adopted this useless palliative, and I say, Mr. Speaker, it is a useless palliative at the present time. It is inadequate now to cure the ills which beset us.

What are we faced with? We are still faced with a ninety-cent United States dollar. Those to whom we must sell must provide themselves not with one hundred cents of hard currency but with ninety cents of hard currency, and any country that has no hard currency is going to find it just as difficult to get that ninety cents of hard currency as it did to get a hundred cents of hard currency. The point is still that the trading economy of this country is in a strait-jacket.

During the last session we advocated the abolition of exchange control. We realized, Mr. Speaker, that our adherence to the Bretton Woods agreement and our membership in the international monetary fund required us by treaty to have our views presented to that organization before we took action. With that I am in entire agreement and concurrence. Rightly or wrongly we put our name to a treaty and we must stand by our name on that treaty. There were, however, and there have been for some time past, means which we could have taken to have overcome the difficulties which were gradually besetting us, and I say that they were troubling us a great deal more than they were either of the other two countries in the English-speaking partnership. We stood to suffer. We were the small country between the two great trading empires. Not only were we the small country. We were the small country with an enormous productivity and an enormous export trade. And yet we put ourselves in this strait-jacket of demanding payment in a currency or in gold which the other member of the union which was our principal customer could not provide itself with. If there was ever a time when it was the bounden duty of Canadian statesmen to do everything possible to break down this impasse in currency, then this is the time. This is a matter of nothing else but currency control. We have the goods the world wants, and we can produce them at competitive prices. We have the foodstuffs, we have the timber, we have the base metals, and a greatly expanded manufacturing industry efficient enough to compete with the rest of the world.

All we needed was the right type of chip to play in the game. But all through the years 1946, 1947, 1948 and 1949 the government said, "The game is going on; we must play it, but we are not going to try to provide ourselves with the right sort of chips." We maintained our tie with the American dollar, which as the months went on became more and more difficult for the rest of the world to acquire.

The economy of Europe has made a great recovery. However at the same time that it has made the recovery it has also entered the competitive markets of the world to a point where, instead of Europe being a great consuming market for Canadian goods, today Europe is becoming a competitor. We find industry after industry, first kept out of the market by our exchange rules, and now in the second place not only finding the market gone but, where there was once a market, finding now an active competitor.

There can be no solution for this impasse until we have a convertible currency. To attempt to fix the value of any currency by government edict is doomed to failure. It may continue even for a matter of years; but unless the world will freely and openly accept your currency at the amount at which you peg it, then what you say your currency is worth has no real or valid meaning. That has been the result in all attempts to control currencies throughout history. For a time they have succeeded. It is devoutly hoped that the courageous action taken by the United Kingdom will succeed at least until such time as she builds up a near equilibrium in trade. But it will not succeed if the world does not consider the English pound worth $2.80 in United States currency.

It is not for the government of England to say what that currency is worth. They pass a law saying it is worth so much; but they have to enforce that law by police action, just the same as we have to enforce our currency control law by police action. That is, the officials at the border must prevent

people from having more than $150 in United States funds. Investigators have to watch service stations and tourist resorts to see that they do not accumulate United States dollars.

Increasing police action to control the value of our currency means that that currency is not freely accepted; and unless a currency is universally accepted at its face value, the exchange rate is not a true one. Twice in the House of Commons I have moved for the abolition of the foreign exchange control board. I realize however that to take precipitate action now is probably impossible. Unless we can do away with currency control, unless we can have a currency freely exchangeable in the markets of the world, we are deluding ourselves that real trade recovery is taking place. That is the situation today in Canada.

The current move, the move that was so hotly denied as likely to take place, yet one which has become more and more obvious and inevitable as time has gone on, will not in my opinion relieve the pressure on our economy. It will not make it easier for us to trade internationally. Let me say just one thing about international trade; unless we can build up a trade and maintain it with the entire world, we are going to become ever more dependent upon the United States market. As each market is lost to us and as each market becomes more and more restricted against us, because we still demand payment with 90 cents of hard currency, our trade will become more and more concentrated on the North American continent.

What does that mean? It means simply this, that we are becoming more and more dependent upon the United States for our economic well-being. Perhaps you say that that is as it should be, that no two countries have better feelings toward each other, that nowhere is there more genuine good will than is to be found between the United States and Canada, and that therefore they should trade. Quite right; they should; and the greater volume of trade we can carry on with the United States, the better. But if our trade becomes overwhelmingly with the United States, and if our markets elsewhere are either lost or so restricted that they are negligible, then the power exercised by a great industrial country ten times the size of us will be so great that our economic future will be in jeopardy. I want to make it very clear that if our economic future is in jeopardy our political future is also in jeopardy. If such a percentage of our trade is done with the United States, and if, by reason of depression, because of surplus products in the United States, or for other reasons, that market is closed to us either by government or economic action we shall find our economy virtually strangled. If so, Mr. Speaker, I warn the house that our future as an independent country is in grave jeopardy.

There can be no question of that. The history of the last twenty-five years in Europe has shown that a small country which became entirely dependent on a large neighbour lost its security and eventually its identity. The small countries which have remained have remained because they were virile traders and independent producers in their own right. The small countries that have disappeared have been those which became wholly dependent on their large neighbours. That is the grave danger which this country faces today. We must trade internationally to exist. We can no more allow ourselves to become wholly dependent on one market than we can afford not to co-operate with the other nations of the Atlantic pact.

Possibly never in our history has so grave a decision been necessary on the part of the Canadian people. Never before has the impact of international trade been so important to us in Canada. We must find a solution for the currency question. Artificially pegging currencies through the device of exchange control will not solve the problem. Entering into barter deals, bilateral agreements, will impose state trading agencies on this free country. The channeling of our trade overwhelmingly with the United States will make us so dependent on that country that our economic well-being will be in jeopardy.

There is one solution which I have suggested. My party adopted it as a part of its platform. It is still an important factor in the life of Canada. We have got to provide ourselves with a convertible currency. It is suggested that the only common denominator against which currencies can be compared is gold, or a currency freely convertible into gold at a fixed rate. The United States dollar, Mr. Speaker, does not fulfil those requirements because it is not convertible into gold on account of the United States Gold Act, which prevents nationals from buying gold at the statutory price of $35 in the United States. Therefore in order to establish a medium of exchange, and a way in which we could provide ourselves with a convertible currency, it is suggested that a free-gold market be established in Canada against which all other currencies would have their due and proper price. Not only that, it would provide a free market for currencies in Canada so that the buyer and the seller could meet in the open market place and carry out their trading deals.

If we do not get back to a condition of free trade we are faced with the acceptance of the

socialist idea of blocked currencies, barter pacts, bilateral deals, or else, on the other hand, we must accept the domination and increasing control of our trade by our great partner on this continent.

The move taken tonight was ridiculed by the present Minister of Finance (Mr. Abbott). In my opinion it is not the correct one, nor is it sufficient. Nevertheless we will continue to offer criticism and assistance to the government on this question. This is not a problem of party politics. This is a problem on which the very existence of Canada depends. If I thought the move already taken would be adequate or sufficient I would welcome it, but it restores the status that existed before 1946; it restores the currency to where it is 90 cents to the United States dollar in 1949 after the great inflationary expansion throughout the world has taken place.

It is for that reason, among many others, that I say that the move is inadequate. It does not solve the basic problem of convertibility and still keeps the economy of Canada in the strait-jacket of exchange control.

(Translation):

Mr. Raymond Bruneau (Prescott): Mr. Speaker, may I, at the outset, congratulate the hon. members for Nicolet-Yamaska (Mr. Boisvert) and for Vancouver South (Mr. Laing) on their eloquent contributions on the address in reply to the speech from the throne.

As a former translator of the debates of this house and of the Senate, as well as of the proceedings of the parliamentary committees, I wish, especially, to tender my most sincere compliments to the hon. member for Nicolet-Yamaska on the interesting and felicitous statement he has made in connection with the language we speak in this house. The French language, even though it may not be the one spoken in Paris, is nevertheless the pure language of the seventeenth century, which has immortalized Corneille, Racine and many others.

May I add, Mr. Speaker, that the matter of abolishing appeals to the privy council certainly evidences the Canadian nation's will to consecrate fully perhaps not its autonomy but surely its sovereignty. I would be tempted to repeat these words from a great Liberal leader, Sir Wilfrid Laurier, the silver-tongued orator and former head of our great Liberal family: "I remember France who gave us life, I love England who gave us freedom, but I am bound to hold uppermost in my thoughts and turn my eyes to my Canada, my beloved country."

There is also, Mr. Speaker, the timely proposal made by the hon. member for Nicolet-Yamaska in connection with a pension for disabled persons. The implementing of that suggestion would, I believe, remedy some deficiencies. I may say that since the election held on June 27, I have personally met some needy persons who, not being eligible for any other kind of pension, would at last obtain thereby some measure of relief.

(Text):

Mr. Speaker, with your kind permission I should like to congratulate the hon. member for Vancouver South (Mr. Laing) and the hon. member for Nicolet-Yamaska (Mr. Boisvert) upon their eloquent speeches in the debate on the address in reply to the speech from the throne. I was pleased with the reference made by the hon. member for Vancouver South to the necessity of multilateral trade with other countries which had been referred to in the throne speech.

With that multilateral trade I feel that we shall be in position to realize the prophecy of another outstanding Liberal leader, Sir Wilfrid Laurier, who less than fifty years ago said that while the nineteenth century was the century of progress, the century of the golden era for the United States, the twentieth century belonged to Canada. I think we have in the speech from the throne all that is necessary to realize that prophecy.

Mr. E. G. Hansell (Macleod): Mr. Speaker, I had not intended to take part in this debate but I feel that all hon. members who have been here for any length of time must be rather surprised that the debate on the speech from the throne should end so abruptly. I am rather surprised that the large number of new Liberal members would not want to take advantage of the opportunity offered by this first all-inclusive debate to speak of those things of which they must feel they are obligated to their constituents to speak.

Not being particularly prepared to speak, as I had hoped to speak at a later sitting, perhaps it would be a good thing for me to take this opportunity tonight to practise my next Sunday's sermon on this congregation. Seeing the way the vote went tonight on whether or not we should do away with the means test after so many Liberals had stated in the election campaign that they were in favour of doing that, I think a suitable topic for my sermon would be: Repent ye, lest ye all likewise perish; or I might possibly take as my text: Be sure your sins will find you out.

Considering that this is the first complete day we have had in this session, considering that we have listened with interest to the leaders of the various parties and have waited

with some tension for the Minister of Finance (Mr. Abbott) to make his statement, I think we have had a good and full day, and with that statement I would move the adjournment of the debate.

Motion negatived.

Mr. Hansell: I wish to thank the house for its courtesy in permitting me to continue the debate. I am amazed, Mr. Speaker, that this house should have rejected the amendment which was made to the main motion.

Mr. Speaker: Order. I should like to call the hon. member's attention to the fact that it is not proper to reflect on the proceedings of the house. The amendment was put to the house.

Mr. Hansell: I was not going to debate the subject matter of the motion itself; I was going to analyse the political repercussions that might take place as a result of it.

I believe we all agree, however, that we are rather sorry the speech from the throne was not more definite with respect to the progress that might have been made in the matter of the social services in this country. We had been led to believe, when the Liberal party were bidding for power, that if they were returned to office we could expect great strides to be made in the field of social services. We regret that we do not find in the speech from the throne anything definite about legislation of that kind being brought down.

We are reminded that for the past few years, for instance, an unfortunate class of people in Canada known as incurables have been pressing, as much as they in their small way are able to press, for some consideration of their plight. Here are people who are, perhaps, crippled for life. They have no means of earning a livelihood. Perhaps they are what are known as shut-ins, bedridden cases. These people are thrown upon the mercy of municipalities to be included on the relief rolls or they are thrown upon the mercy of their own relatives and friends who may have enough interest in them to assist them.

Here is a class of people whose plea for some security should be heard by any responsible government. I say this because I had something to do with an organization known as the Canadian Association of Incurables. They are not asking much. They are not asking the government to revolutionize any system or turn everything upside down. Even if the government did that for them, it would be permissible. All they are asking is that they be placed in a position where they will not be dependent upon relatives or upon relief from the municipalities. Now, that is a reasonable request.

I wish to say this, and I am only reminding the appropriate minister of what I intimated to him during the last session, that these unfortunate people have no way of earning a livelihood. I prophesy that any legislation which the government may eventually bring down respecting social services will be of a contributory nature. Personally, I would be opposed to that, particularly as it might apply to old age pensions or to social services for these incurables, because the incurable has nothing to contribute to any insurance scheme. Any assistance rendered to them must be in the form of an outright gift. I do not agree with some who speak of the psychological repulsiveness of receiving anything from the state. I am not one of those who believe that it is something to be shunned. So far as incurables and old age pensioners are concerned, I believe that anyone who devotes his life to the welfare of Canada until he reaches the age of sixty-five or seventy is entitled to a pension by right of citizenship and not by virtue of any contribution he may be able to make to any scheme. That applies to men and women alike.

Furthermore, might I suggest that during his lifetime that person has not only put his life into the general welfare of Canada; throughout his life he has contributed under the scheme of taxation which this government, especially, deems it wise to impose upon our citizens. Considering all these things, I say that our aged citizens have a right to some reward for good citizenship. If not, then we are living in Canada under a system of dog eat dog, get all you can and let the other fellow go by the board. This does not contribute to a healthy, loyal Canadian citizenship. I say that our aged people have a right to expect a pension. And when I say "pension" I use the term in the sense of a pension and not in the sense of a return on an insurance scheme. The return from an insurance scheme is to my mind not a pension at all; it is simply getting back something that you put into it. That might be all right. On the side you can do that. Many insurance companies offer pension schemes. Any citizen can take advantage of one of them if he so desires. But, in addition to those schemes that are managed by insurance companies, why cannot our aged citizens or any of our citizens look forward to a time when they may retire with honour on a real pension given to them as a right of their citizenship? That is what I plead for.

Referring now once again to the incurables I certainly believe they have a right to an honourable existence; and an honourable existence means not a handout in the form

of the crumbs that fall from the taxpayers' table, but the right to an honourable and decent living because they are our Canadian sons and daughters. I believe that is only reasonable, and that it is not asking too much.

With respect to old age pensions, I believe that the age limit should be lowered to at least sixty-five. Personally I should like to see it lowered to sixty for aged women and at least to sixty-five for aged men. I believe the pension should be increased, especially now since the announcement made by the Minister of Finance (Mr. Abbott) tonight with respect to the devaluation of our dollar. As far as I can see, the cost of living will naturally go up now because our people will not be able to buy as much for their depreciated dollar as they have in the past. What effect will that have upon the old age pensioner who must get along now anyway on what might be considered a pittance? I know that the Minister of National Health and Welfare (Mr. Martin) is sometimes inclined to strut around a little bit and to pat himself on the back because the allowable pension has been increased in the last little while and the old age pensioner is getting more now than he did in previous years. But I wonder if he is really getting any more. You cannot measure what he gets in cold hard figures of dollars and cents. The way to measure what he gets is by what his present pension will buy now compared with what it would buy some years ago when he did not get as much. If his pension at the present rate will not buy as much food and clothing, and as good housing, as it did when he was getting $20 a month, then he is not getting as much today as he was getting then. That is the way to calculate whether or not the old age pensions have been increased.

There is sometimes some difficulty over the complicated way in which old age pensioners must prove their age. I am not going to be too hard on the administration in that respect, because I quite agree that, if the age is to be seventy, there should be some way for the applicant to be able to prove within reason that he has reached that age. But complications have arisen many times because a good many of our citizens who have reached the age of seventy cannot prove their age by virtue of its being registered somewhere in the vital statistics of this country. Seventy years ago mothers and fathers were not so particularly careful about whether the births of their children were registered or not. I am informed that some countries did not even register the birth of their infants seventy years ago, and sometimes it is difficult for people to find those certificates.

I know that the administration do not wish to cut anyone off. Those in charge of the various pension boards throughout the country have no desire to deny a pension to an applicant if he is seventy years of age. But somehow or other there are a good many things they will not accept as proof of age when, to my mind, the proof is quite reasonable. I believe that some type of medical evidence could be given. There are other ways in which age could be proved.

May I now branch off to another subject, Mr. Speaker. We have been told that the present Liberal administration is anxious to build a trans-Canada highway. Personally, I have not been able to fully convince myself that the present administration is not playing with the problem. I do not see that there is any problem in building an all-Canada highway. I do not see that there is any problem about asking a provincial government if they desire a highway to go through their province. I do not see that there is any problem about asking a provincial government if they would like to accept several million dollars in order to improve a certain highway through their province. I have yet to be convinced that the government is serious about putting through an all-weather, all-year-round, paved highway from one end of this country to the other. I know that considerable pressure has been put on various governments, provincial and federal, to have highways go through this, that or the other route. When some delegations have waited upon the premier of Alberta they have said, "We should like the highway to go this way." There seem to be about three "main drags" through that province by which it could go. There is the one from Medicine Hat, down to Lethbridge, through the Crowsnest pass, Nelson, and on that way. I would have no objections if it went that way. Then there is the other route, through Medicine Hat to Calgary and through Banff and on through that way. I have no particular objection to that. Then there is the other route which concerns many people. That is the northern route by way of Saskatoon, Lloydminster, Edmonton, Jasper, Yellowhead and down that way.

Mr. Cruickshank: Is that below Vulcan?

Mr. Hansell: I will give my friend an answer to that. When this delegation appeared before Premier Manning, what did he say? He said, "I can answer yes as far as this province is concerned to any of the routes, because our objective is, as far as Alberta is concerned, to put three highways through."

An hon. Member: Oh, oh.

Mr. Hansell: My hon. friend does not have to laugh at that. All he has to do is to go into Alberta now and he will find that two

of them are practically complete. What the other provinces do in connecting these three highways is their own business. But I do say that there is no reason in the world why a country as wealthy as Canada in natural resources, and in what-have-you—we have everything—should not have one of the best highways on this continent running from coast to coast. We have all the gravel we need; we have all the cement we need; we have all the sand we need; we have all the oil we need; we have all these component parts that go into the paving of a highway and—

Mr. Johnston: No American dollars.

Mr. Hansell: We have not got enough of somebody else's money, a sort of crazy idea, I think. Perhaps Bernard Shaw was right when he said that if some race of people from some other planet could look down upon this earth and discover how we were running things, especially if they looked at Canada and the Liberal administration, they would conclude that this little planet would make a good lunatic asylum for the rest of the universe.

We have all sorts of materials; we have manpower. There is gradually becoming an unemployment problem in Canada. I am not going to paint the picture too dark. We have all sorts of materials, we have all sorts of manpower, but somehow or other we cannot get enough figures in bankers' books to be able to effect the exchange of goods to the extent that we can have that cement or that asphalt or whatever it takes to make a highway across there.

You know, we have a lot of brains in Canada.

Mr. Cruickshank: You would never know it.

Mr. Hansell: But somehow or other we have not enough brains to make financial figures fit the physical facts. We believe we have some in this corner of the house. But if governments and administrations want to stumble on in their stupidity about this thing, let them do so. The day will come when force of circumstances will perhaps change the minds of even the Liberal administration.

May I ask that the government stop playing around with this all-Canada highway business. Perhaps, as the hon. member for Red Deer (Mr. Shaw) reminds me, that will be one of the planks in their next election platform. We want to see something materialize a long time before the next election rolls around. There is no reason why that highway cannot be started almost immediately. It is granted that winter might hold up some parts of the country. There is no reason why that highway cannot be completed in one or two years. When I say "that highway" I do not mean a lot of gravel on some prairie trail. I mean a highway to be proud of, a highway throughout Canada such as there is from Toronto to Hamilton or from Calgary to Edmonton or through the Crowsnest pass so far. I want it to be a real highway, so let them stop playing around with this thing. Let them get down to business and tell the world. Let us tell our American friends that if they come to Canada they will be able to get home safely.

I was in Vancouver this summer on a little vacation. I must say I went by way of the United States because I felt that with my wife and family we could ride more smoothly and enjoyably on a United States highway, at least between Spokane and Seattle, than we could on the present route through British Columbia.

Mr. Cruickshank: That was after the 27th.

Mr. Hansell: My friend reminds me that I went there after June 27. It was the end of July, and I still found a tremendous lot of wind and fog out in British Columbia. The air was not a bit clear. As a matter of fact, when I was looking around for information they said to me, "For goodness sake don't go through the Fraser valley because the fog and wind are so thick and hot there that you will never get out alive". I am sure it could not be that bad because our friend the member for Fraser Valley is here with us again to delight our hearts with his comments; and since democracy has spoken we are of course pleased to welcome him back. I must confess that I did speak in his constituency. What was I speaking about? Oh, the all-Canada highway. In order to safeguard the welfare of my family when I went to Vancouver I decided to go by way of Spokane and Seattle because I did not want to risk driving that route over those mountains where you can look down a few miles with not a stone to keep you from going over the side. I put up at a small tourist cabin in Vancouver, and became engaged in conversation with an American tourist who gave the appearance of an outstanding gentleman. He said, "I see you are from Alberta. Which way did you come?" I replied, "I came by Spokane and Seattle." "Oh", he said, "you did not come on this Big Bend road?" I said, "No, I have never travelled that road." "Good for you", he said; "I came that way, but I shall never, never travel that road again."

That conversation reflects the impressions gained by an American tourist. I am not

saying British Columbia has not done a good deal in connection with its highways, because they have some very beautiful ones—almost as good as those we have in Alberta. I cannot blame the government of British Columbia for what that man said. I realize it takes time to build highways, and that the funds in the hands of provincial governments are limited.

But I do say this, that since last year the government made the pronouncement that they were going to do something in respect of an all-Canada highway; and since they went into the election campaign proclaiming to the four winds of the earth that they were going to do something about that highway, we want to see it done—and we do not mean during the next election. We mean right now. There is no reason why we should have to route our traffic through another country, thus missing some of the best tourist attractions to be found anywhere in the world. When I say that, I am referring to the beautiful scenery.

There are many subjects clamouring in my mind concerning which I might go on until after midnight. However, rather than take a half hour to develop another subject I shall be pleased to give the floor to my hon. friend.

On motion of Mr. Balcer the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. St. Laurent: It is intended tomorrow to proceed with the second reading of the bill in the name of the Minister of Justice to amend the Supreme Court Act and, when that is disposed of, to move that the house resolve itself into committee of supply to consider the estimates. If we get into committee we will ask to have five departments opened, so that on Tuesdays and Fridays we may consider the estimates of those departments. Hon. members realize that on Fridays we cannot start on a department which has not been introduced on another day of the week. If we get into supply we will ask to mention five departments, and to proceed with the estimates of the Department of Agriculture.

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

Appendix A

TEXT OF JOINT COMMUNIQUE ISSUED FOLLOWING BRITISH-UNITED STATES-CANADIAN MONETARY TALKS IN WASHINGTON

1. Representatives of the United States, the United Kingdom, and Canada have met during the past week to examine the trade and financial relationships between the sterling area and the dollar area. The pound and the dollar are the two principal world trading currencies. While the development of a satisfactory balance of payments between the two areas is a matter of fundamental concern to the democratic world, it involves many problems which concern in the first instance the governments which are the centres of these two currency systems. The present discussions were held to examine these problems. It was recognized that the task of working out conditions under which world trade can develop steadily and in increasing freedom will require a strenuous and sustained effort, not only on the part of the United States, the United Kingdom, and Canada, but also by all other countries desiring the same objectives.

2. It was agreed that the common aim is to work toward an ultimate solution which will maintain employment and establish equilibrium of international trade on a mutually profitable basis at high levels. These objectives and general course of action have already been set forth in the United Nations Charter, the Bretton Woods agreements, and the Havana charter for an international trade organization. It was the broad purpose of the present meetings to explore, within this general framework, various specific measures which the three governments might take to prevent a serious breakdown in the dollar-sterling relationships which would have led to a crippling limitation of dollar imports into the sterling area and to hasten the achievement of those objectives.

3. These conversations have carried forward the consultations initiated in London during July 8-10. They have resulted in a clear understanding of the character of the difficulties to be faced and an increasing realization that a fully satisfactory solution will necessitate continuing efforts in many directions. In the course of these conversations it has become possible to discuss with complete frankness specific problems and the types of measures which will have to be taken if the three countries are to achieve their common purpose.

4. In the early stages of the discussion, attention was given to the immediate problem confronting the United Kingdom and the rest of the sterling area as a result of the rapid decline of gold and dollar reserves. Note was taken by the three governments of the emergency action which sterling area countries have decided to take to meet this situation. These measures are not pleasant ones; they will cause difficulties and sacrifices for everyone concerned. Nevertheless, they are a temporary necessity, and are recognized as such by all three governments.

5. The ministers were in complete agreement that no permanent solution to the problem could be found in the emergency steps contemplated. A more fundamental attempt would have to be made by all concerned to expand the dollar earnings of the sterling area and to increase the flow of investment from the North American continent to the rest of the world, including the sterling area.

6. This more fundamental attempt would involve both separate actions of the three countries operating individually, and joint action by the three acting in co-operation with each other. In approaching these possibilities of individual and joint action on the sterling-dollar problem, there was common agreement that this action should be based on the assumption that extraordinary aid from the North American continent would have come to an end by the middle of 1952. This would require that the sterling area increase its dollar earnings so as to pay its way by 1952. This would require in the sterling area the creation of appropriate incentives to exporters to the dollar area and a vigorous attack upon costs of production to enhance the competitive position of sterling area products. Maximum efforts would be made to direct exports to the dollar area and build up earnings from tourism and other services. As a part of this export campaign by the sterling area countries, it was recognized that an essential element was the creation of a feeling of confidence on the part of sterling area exporters. They must feel that they will be afforded the opportunity to remain in the markets of the United States and Canada in which they will have gained a place, and that the minimum of difficulties will be placed in their way in entering those markets.

On their part the creditor countries undertook to facilitate, to the greatest extent feasible, an expansion of dollar earnings by debtor countries, including the sterling area. It was agreed that the United States and Canada should reduce obstacles to the entry of goods and services from debtor countries, in order to provide as wide an opportunity as possible for those countries to earn dollars through the export of goods and the provision of services, including tourism. It was recognized that such a policy would be in the interest of producers in the United States and Canada, for only in this way can the future level of trade provide adequately for those sectors of the American and Canadian economies which depend in considerable part upon foreign markets.

7. The discussion of possible individual and joint actions, both long-run and short-run, ranged over a wide field. In addition to the question of dollar earnings of the United Kingdom and the rest of the sterling area, mentioned above, the ministers gave special attention to the following subjects:

1. Overseas investment
2. Commodity arrangements and stockpiling
3. Limitations on items which may be financed under present ECA procedures
4. Customs procedures
5. Tariff policy
6. Liberalization of intra-European trade and payments
7. Sterling balances
8. Petroleum
9. Shipping
10. Provisions for continuing consultation

8. A working group on overseas investment reviewed both recent experience and future prospects for the flow of productive investment, both private and public, from North America to overseas areas, especially underdeveloped countries. It was agreed that a high level of such investment could make an important contribution toward re-

ducing the sterling-dollar disequilibrium and that every aspect of this problem should be explored on a continuing basis. In order to initiate this work, the President's Committee for Financing Foreign Trade will be asked immediately to explore possible lines of action in co-operation with corresponding groups of British and Canadian financial and business representatives. While dealing with all aspects of private and public investment, the committee will be expected to address itself especially to the problem of incentives and of providing a suitable environment for a high level of private investment.

9. A working group on commodity arrangements and stockpiling gave special attention to rubber and tin. The Canadian representatives stated that the Canadian government was prepared to take steps to increase reserve stocks of tin and rubber in Canada. The United States representatives reported that the United States government was prepared to open to natural rubber a substantial additional area of competition, including a modification of the government order relating to the consumption of synthetic rubber. The United States would review its stockpiling program, with particular reference to rubber and tin.

10. Special attention was given by another group to the practical difficulty being experienced by the United Kingdom in making fully effective use of its ECA aid to cover its dollar deficit. This difficulty arises out of the fact that, although the United Kingdom needs dollars to pay for goods in the United States, to make settlements with other countries, to pay for services, and for other purposes, the types of transactions which may be financed by ECA dollars have been definitely limited. It has been agreed that, in order to carry out the basic purposes of the Economic Co-operation Act, it will be necessary for the United Kingdom to finance with its share of ECA funds a wider range of dollar expenditures than has hitherto been eligible, both within and outside of the United States. After careful examination of the dollar expenditures proposed to be made or authorized by the United Kingdom, it appears that eligibility requirements can be broadened to the extent required within the limits set by the Economic Co-operation Act. This would broaden the use but not increase the amount of ECA funds allocated to the United Kingdom.

11. In the consideration of measures which creditor countries might take to reduce barriers to trade, it was recognized that customs procedures may create obstacles, psychological as well as actual. Technical discussions of this subject disclosed that the United States, through administrative action and proposed legislation, was already contemplating constructive steps in this field. Canadian representatives stated that the Canadian government would undertake a further review of the administrative operation of its Customs Act in the light of these discussions. As to tariff rates, it was noted that high tariffs were clearly inconsistent with the position of creditor countries. There had already been significant and substantial reductions in U.S. tariffs during the last fifteen years. The policy of the United States government was to seek further negotiation of trade agreements through which additional reductions might be made, within the framework of the Reciprocal Trade Agreements Act.

12. There was agreement that one of the ways in which the competitive position of the United Kingdom products might be improved was by a widening of the area in which such products competed freely with those of other countries. In this connection as an initial step toward a more general liberalization the United Kingdom delegation outlined its proposals for liberalizing trade with countries with which it did not have balance of payments difficulties, and raised the question whether the provisions of section 9 of the Anglo-American Financial Agreement, and article 5 of the Anglo-Canadian Financial Agreement presented an obstacle to such a plan. It was the view of the United States and Canadian delegations that such liberalization of United Kingdom import regulations should be considered since the United Kingdom shortage of dollars should not in itself force the United Kingdom to reduce its purchases from areas with which it does not have a shortage of means of payment. It was agreed that any United Kingdom import regulations as they affect United States and Canadian products would be the subject of continuing review by representatives of the three governments through continuing facilities for consultation.

13. (a) A further subject which was discussed was the United Kingdom liability represented by the sterling balances of other countries. A large number of countries has been accustomed to hold either all or a part of their foreign exchange reserves in the form of sterling. The existence and availability of such holdings is an integral feature of the wide-spread multilateral use of sterling for the purpose of financing international trade. One of the problems of the post-war period has been the existence of exceptionally large accumulations of sterling which were built up, mainly during the war, as the result of payments by the United Kingdom for goods and services purchased overseas in furtherance of the common war effort. In June 1945 these balances amounted to $13½ billion. Since then there have been considerable fluctuations both in the total and in the holdings of individual countries, though the amount outstanding at the end of 1948 was approximately the same as at June 1945.

(b) In principle the whole of these balances represents a charge on United Kingdom production of goods and services. In practice, however, a substantial proportion will continue to be held as reserves by the countries concerned. To the extent that the balances are liquidated, some proportion of United Kingdom production of goods and services is used to discharge this liability instead of to pay for current imports of goods and services.

(c) This whole problem in its various aspects, including the necessity to provide capital goods for development, was discussed in a preliminary way on the basis of prior technical examination by the experts of the three governments. It was agreed that this was one of the subjects which concerned other countries and would require further study.

14. Investigation of the ways in which the sterling area could move toward a position in which it could earn its own way led to the discussion of other special problems, including petroleum and shipping—two important elements in the sterling area balance of payments picture. The United Kingdom representatives set forth the facts of the very large dollar deficit which the sterling area presently incurs because of oil transactions, and their desire to reduce this deficit to the minimum possible level. It was mutually recognized that the question of oil production and refining, and geographical distribution raised problems of extreme complexity involving the protection of legitimate interests of the major producing countries and companies. The ministers recognized that these two questions of petroleum and shipping could not be resolved in the short time available to them, and that further study would be required. In the case of petroleum they agreed to appoint representatives to analyze the facts and to provide the basis for subsequent discussions.

15. There has been agreement on the objective toward which policies should be directed and agreement on certain immediate steps which will be

Appendix

taken to bring that objective nearer. There are, however, as has been emphasized, a number of questions requiring closer examination than this short conference has allowed. It is proposed, therefore, to continue the examinations, initiated during the conference, of questions on which it is hoped that useful understanding can be reached under the direction of the present ministerial group. These arrangements for continuing consultation—supplementing the usual channels of communication between governments—will be used to keep under review the effectiveness of actions already agreed upon and to prepare, for governmental consideration, measures which could carry further those adjustments which are considered to be necessary. In establishing these arrangements for continuing consultation, the three governments wish to emphasize that these arrangements underline rather than diminish their interest in the development of economic co-operation within the entire community of western nations. The tripartite arrangements will not in any way encroach upon, or detract from, the area of competence of the OEEC and other existing organs of international economic collaboration. On the contrary, these arrangements for continuing consultation by contributing materially to the solution of problems which today adversely affect the working of the entire OEEC group and yet are not susceptible of solution within that group, will facilitate the progress of economic collaboration in the wider field.

16. In summary the ministers of the three countries concerned are satisfied that a real contribution to the solution of the sterling-dollar difficulties has been made by the conclusions recorded above. They are confident that, with sustained efforts on all sides and with the seizure of every opportunity by sterling area exporters to enter into and remain in dollar markets which are open to them, there is the prospect of reaching a satisfactory equilibrium between the sterling and dollar areas by the time exceptional dollar aid comes to an end.

HOUSE OF COMMONS

Tuesday, September 20, 1949

The house met at three o'clock.

FOREIGN EXCHANGE

EXPORTS FROM MARITIMES—QUESTION AS TO PAYMENT IN STERLING

On the orders of the day:

Mr. H. H. Hatfield (Victoria-Carleton): I wish to direct a question to the Minister of Finance. Will the exporters of surplus potatoes, fish, lumber, and other commodities of the maritime provinces be allowed to accept sterling in payment for exports to the British West Indies and South American countries, thereby retaining those markets which they have built up over the years?

Hon. Douglas Abbott (Minister of Finance): I received notice of the question a few minutes ago. I will give an answer tomorrow.

IMPERIAL DISABILITY PENSIONS—EFFECT OF DEVALUATION

On the orders of the day:

Mr. H. W. Herridge (Kootenay West): In view of the devaluation of the pound and the plight of imperial pensioners in this country, I should like to ask two questions. Will the Canadian government continue to adjust the exchange rates on imperial disability pensions paid to Canadian citizens domiciled in Canada at the time of enlistment? Has the position of other imperial disability pensioners been brought to the attention of the British government, and if so, does the minister know whether the British government is giving consideration to adjustments of imperial disability pensions paid in Canada to offset the loss occasioned by the devaluation of the pound?

Hon. Milton F. Gregg (Minister of Veterans Affairs): The answer to the first question is yes. The answer to the second question is that I do not know whether or not the British government has given consideration to this matter.

COMBINES

OPTICAL COMPANIES AND BREAD COMPANIES—QUESTION AS TO PROSECUTIONS

On the orders of the day:

Mr. Angus MacInnis (Vancouver East): I should like to ask whether the Department of Justice has taken any action against the companies mentioned in the reports of the investigations under the Combines Investigation Act into the optical and bread business.

Hon. Stuart S. Garson (Minister of Justice): The answer is that in both of these instances the preparation of the case and the handling of it are in the hands of counsel who I understand are making as swift progress as they can.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

Hon. Stuart S. Garson (Minister of Justice) moved the second reading of Bill No. 2, to amend the Supreme Court Act.

He said: In its progress towards full self-government, Canada until the present time has retained two badges of colonialism. The first is that we must petition the United Kingdom parliament to pass a United Kingdom statute which alone can amend our Canadian constitution. The second is that the ultimate determination of Canadian statute and other laws is the responsibility of the judicial committee of the privy council, a United Kingdom court.

The bill which is now before us will strip off the second of these badges by abolishing appeals to the privy council. In that sense it represents an important step towards complete nationhood for our country.

Clause 3 of the bill sets out its principle, and its major purpose, namely, to create in the Supreme Court of Canada exclusive, ultimate, appellate civil and criminal jurisdiction within and for Canada by abolishing appeals to the privy council and by making the judgment of the Supreme Court final and conclusive in all cases.

No principle is involved in the other sections of the bill. They are either consequential or they clarify the law without significantly changing its substance. I would suggest, therefore, that they can be discussed to a greater advantage in committee.

Clause 3 deals with one of the most vital parts of the mechanism of government in Canada. When in 1875-76, the United Kingdom Colonial Secretary, the Earl of Carnarvon, was carrying on a spirited discussion with Hon. Edward Blake, then Attorney General of Canada, on the very matter we now have before us, a memorandum of the

United Kingdom privy council said this with regard to this matter of supreme appellate authority:

> The supreme appellate authority of the empire or the realm is unquestionably one of the highest functions and duties of sovereignty. The power of construing, determining, and enforcing the law in the last resort, is, in truth, a power which overrides all other powers; since there is no act which may not in some form or other become the subject of a decision by the supreme appellate tribunal and that tribunal can alone determine the limits of its own jurisdiction.
>
> This power has been exercised for centuries as regards the dependencies of the empire by the sovereigns of this country in council; that is to say, the sovereign to whom the prayer for relief is addressed affords that relief, with and by the advice of a certain number of the most eminent judicial officers and jurists of the realm, who are sworn of the privy council for this purpose. The final order made on each appeal is the direct act of the queen in person. So that by this institution, common to all parts of the empire beyond the seas, all matters whatsoever, requiring a judicial solution, may be brought under the cognizance of one court—

I ask you, Mr. Speaker, to note this particularly.

> —in which all the chief judicial authorities of this country (the United Kingdom) have a voice.

I suppose, sir, that at first blush one might think that the words "a power which overrides all other powers", are rather strong language. I am sure that brief reflection on the effect that judicial interpretation of the British North America Act has had upon our ability in this country to deal effectively with questions of social welfare, marketing, and the fluctuations in the business cycle, will indicate that this statement is perhaps not quite as strong as it may at first appear.

At any rate, the situation today is that the supreme appellate authority of Canada, the power of construing, determining and enforcing the law of Canada in the last resort, a power which this United Kingdom memorandum says is one which overrides all other powers, is still vested in a United Kingdom court in which all of the chief judicial authorities of the United Kingdom have a voice, but in which Canada, from time to time, has had but a slight voice or none at all.

It is this situation with which clause 3 of the present bill deals. I should like, therefore, to discuss at some length this clause, its background, and its implications.

The section of the British North America Act which we are invoking to pass this bill now before us is section 101, the relevant portion of which reads as follows:

> "The parliament of Canada may, notwithstanding anything in this act, from time to time, provide for the constitution, maintenance and organization of a general court of appeal for Canada . . ."

What immediately strikes a casual reader, is that the language of section 101 of the British North America Act empowering this parliament to establish a federal appeal court with ultimate and exclusive jurisdiction is clear and unequivocal. But until the passage of the Statute of Westminster, 1931, the legislative power thus created was not the power of a sovereign state. According to the decisions of the privy council it was the legislative power of a British colony and subject to three constitutional bars which prevented this parliament from effectively exercising it in order to create a court of last resort in Canada.

The first of these three bars was the Colonial Laws Validity Act. This act provided that any colonial law which conflicted with any United Kingdom statute applicable to the colony was void to the extent of that conflict. Since at that time there were imperial statutes which gave a right of appeal to the privy council it followed that under the Colonial Laws Validity Act, 1865, neither the dominion nor the provinces could then validly legislate so as to abolish this right of appeal given by the imperial statute.

The second constitutional bar to the abolition of privy council appeals by either the dominion parliament or the provincial legislatures was the legal doctrine of extraterritoriality. This doctrine was that each colonial legislature could legislate only as regards matters within its own geographical territory. The so-called prerogative right of appeal to the privy council, or, as the hon. member for Broadview (Mr. Church) mentioned yesterday, the appeal as a matter of grace, was, as Viscount Sankey put it in the British coal case, "a residuum of the royal prerogative of the sovereign as the fountain of justice." Since this fountain was situated in the United Kingdom, it was beyond Canada's territorial jurisdiction, and no Canadian legislature was competent to pass laws abolishing or dealing with it.

The third constitutional bar was the express terms of section 129 of the British North America Act itself. This section provided that all the laws in force at the time of confederation, in Upper Canada, Lower Canada, New Brunswick and Nova Scotia, should continue, subject to repeal or amendment by the parliament of Canada or by the respective provincial legislatures. But this section specifically excepted imperial laws—that is, laws of the United Kingdom—in force in these four provinces at confederation. Therefore, since the right of appeal from these provinces to the privy council had been legislated upon by the United Kingdom parliament, it followed that this right of appeal was specifically excepted from this section 129 of the British North America Act; and that the parliament of Canada was not considered competent to abolish it.

Such, then, was the legal position of this matter before the passage by the parliament of the United Kingdom of the Statute of Westminster, 1931. As you, Mr. Speaker, will recall, this statute was passed to give effect to certain resolutions which had been arrived at by the imperial conferences of the United Kingdom and the various dominions of the British commonwealth, held in the years 1926 and 1930.

Some of the older members will recall that the late Hon. C. H. Cahan was of the opinion that the passage of the Statute of Westminster in 1931 had removed the constitutional bars to which I have just referred. Acting in that belief, he introduced in this parliament in the year 1938 a bill to abolish privy council appeals, the main operative provisions of which were identical in substance with the clause 3 which we are now considering. Mr. Cahan's bill, after some consideration by parliament, was referred to the courts for a ruling whether it was within the power of this parliament to enact. In due course this reference came before the judicial committee of the privy council, which held in its judgment—cited as the Attorney General of Ontario v. the Attorney General of Canada, 1947, A.C. 127—that the Statute of Westminster had indeed removed these three constitutional bars, and that the draft bill under consideration by the court in that case was within the power of the parliament of Canada to enact.

Some parts of the privy council judgment are so relevant to the present discussion—that is, although they deal with legal matters they are relevant to the political issue whether or not we should pass the present bill—that I venture to quote from them. For example, their lordships said:

> It is in the light of this act of transcendent constitutional importance—

They were referring, of course, to the Statute of Westminster, 1931.

> —that the question must now be considered whether it is competent for the parliament of Canada to enact not only that the supreme court of the dominion shall have appellate—civil and criminal jurisdiction within and for Canada, but also that that jurisdiction shall be "exclusive" and "ultimate." This question must be considered under two heads, first, in regard to appeals from the supreme court itself, and secondly, in regard to appeals direct from the provincial courts to His Majesty in council.

With respect to appeals from the supreme court itself, their lordships found that there could be no doubt as to parliament's power to abolish them. Once the fetter upon the legislative power of the dominion could be removed and had been removed by the Statute of Westminster, it followed that the power of the dominion parliament to enact that the jurisdiction of its own supreme court should be ultimate was beyond question. As they put it—and I bespeak careful consideration of these words—"No other solution is consonant with the status of a self-governing dominion".

Mr. Smith (Calgary West): Who is speaking there?

Mr. Garson: Their lordships of the privy council.

Mr. Smith (Calgary West): The minister does not know which one?

Mr. Garson: No. As the hon. member knows they give only the one judgment.

This statement of the legal position has a bearing upon the political position. We who submit this bill to the consideration of parliament can and do justify the passage of clause 3 upon the grounds that no other solution than that of abolishing these appeals is consonant with the status of Canada as a self-governing nation.

The privy council went on to deal with appeals direct from the provincial courts to His Majesty in council. They pointed out that it was in regard to these appeals that the validity of the bill had been most strenuously challenged. That was indeed the case, because when the Supreme Court of Canada found that the bill in its entirety—with two dissenting judgments, one a complete dissent and the other a partial dissent—was within the power of parliament to enact, an appeal was taken from that judgment by the Attorney General of Ontario and three other provincial attorneys general. The respondent in the case was the Attorney General of Canada, joined by the attorneys general of two provinces, one of whom, I am very happy to say, was the Attorney General of my own province of Manitoba. Therefore in the proceedings before the privy council on this appeal, the Attorney General of the United Kingdom having taken no part at all, the real contest was between the dominion and certain of the provinces on the one hand and others of the provinces on the other. And as their lordships point out in their judgment, it was in regard to this question whether the appeals brought from the provincial courts should be abolished that the validity of the act had been most strenuously challenged. Their lordships came to the conclusion that the dominion was competent to exclude appeals not only in criminal cases, not only in civil cases falling within the subject matter of section 91—which is the section of the British North America Act dealing with these matters coming under federal legislative jurisdiction—but also in every other case which can be brought before any provincial court in Canada. Upon this point their comment is as follows:

In coming to this conclusion, their lordships do not think it useful to embark on a nice discrimination between the legislative powers contained in sections 91—

That is the dominion powers.

—and section 92—

That is the provincial powers.

—respectively of the act. Nor, as it appears to them, is it necessary to determine whether the words of head 14 of section 92, "The Administration of Justice in the Province," would, if they were disembarrassed of any context, be apt to embrace legislation in regard to appeals to His Majesty in council. There appear to be cogent reasons for thinking that they would not. But their lordships do not make this the ground of their decision; for it is elsewhere, it is in section 101 of the act that the solution lies.

Then they go on to quote from the language of the former Chief Justice of Canada, Sir Lyman Duff, in his judgment in the very case which was then under consideration by the privy council, and they quote him in these words:

Assuming even that section 92 gives some authority to the legislatures (of the provinces) in respect to appeals to the privy council—

That is to say that if head 14 of section 92, concerning the administration of justice within the provinces, were considered as giving the provinces some authority with respect to appeals to the privy council, nevertheless says Sir Lyman Duff:

—that cannot detract from the power of parliament under section 101. Whatever is granted by the words of the section, read and applied as prima facie intended to endow parliament with power to effect high political objects concerning the self-government of the dominion (section 3 of the B.N.A. Act) in the matter of judicature, is to be held and exercised as a plenary power in that behalf with all ancillary powers necessary to enable parliament to attain its objects fully and completely. So read it imports authority to establish a court having supreme and final appellate jurisdiction in Canada.

That is the end of the quotation of Sir Lyman Duff. Then I go on with the language of the privy council judgment itself, as follows:

The vital words in the passage cited, with which their lordships are in full agreement, are the words in the last line, "and final,". But in the opinion of their lordships the same considerations lead to the conclusion that the court so established must have not only "final" or "ultimate" but also exclusive appellate jurisdiction. They would emphasize that section 101 confers a legislative power upon the dominion parliament which by its terms overrides any power conferred by section 92 upon the provinces or preserved by section 129.

"Notwithstanding anything in this act" are words in section 101 which cannot be ignored. They vest in the dominion a plenary authority to legislate in regard to appellate jurisdiction, which is qualified only by that which lies outside the act, namely, the sovereign power of the imperial parliament... What then is the power of the dominion parliament since the Statute of Westminster has come into operation? . . . To their lordships it appears reasonably plain that, since . . . the subject in conflict belongs primarily to the subject matter committed to the dominion parliament, namely the establishment of the court of appeal for Canada, to that parliament also must belong the power not only to determine in what cases and under what conditions the appellate jurisdiction of that court may be invoked, but also to deny appellate jurisdiction to any other court.

Then notice the next sentence:

The natural attribute of sovereign power was no doubt qualified by an external constitutional limitation, namely, the existence of imperial statutes, but, given the power—

Which is contained in the Statute of Westminster.

—to abrogate such statutes, the authority conferred by section 101 stands unqualified and absolute.

Then their lordships go on to say this, which has a bearing on the political questions with which we are concerned here today:

Giving full weight to the circumstances of the union and to the determination shown by the provinces as late as the imperial conferences, which led to the Statute of Westminster, that their rights should be unimpaired, nevertheless it appears to their lordships that it is not consistent with the political conception which is embodied in the British commonwealth of nations that one member of that commonwealth should be precluded from setting up, if it so desires, a supreme court of appeal having a jurisdiction both ultimate and exclusive of any other member. The regulation of appeal is, to use the words of Lord Sankey in the *British Coal Corporation* case, a "prime element in Canadian sovereignty," which would be impaired if at the will of its citizens recourse could be had to a tribunal in the constitution of which it had no voice.

Again, Mr. Speaker, I suggest that, based upon the language of the judgment, the question before us today is whether we are to use our undoubted legal powers to regulate the appeals from our own courts to our own supreme court of ultimate appeal. Are we to exercise this prime element in our sovereignty by providing our own courts of ultimate appeal? Later in the judgment their lordships say:

It is, in fact, a prime element in the self-government of the dominion that it should be able to secure through its own courts of justice that the law should be one and the same for all its citizens. This result is attainable only if section 101 now authorizes the establishment of a court with final and exclusive appellate jurisdiction.

Again I say that the question we must decide is: Do we wish to provide our citizens with the prime element in self-government of our dominion, that the law should be one and the same for all its citizens? If so, are we prepared to attain this result in the only way possible by authorizing, as we seek to do in the bill now before us, the establishment of a court with final and exclusive appellate jurisdiction?

Well, sir, I submit that there can be only one answer to these questions, and that an affirmative one.

This is the present condition of the law as interpreted by the privy council in the year 1947, and of course applicable today. I have gone into the text of the judgment at some

length in order to show how the Statute of Westminster has established unqualified and absolute rights in this parliament with the natural attributes of the sovereign power of a nation having complete powers of self-government—or, to be precise, having available to it, for the asking, complete powers of self-government.

From now on the only impediment to our governing ourselves fully and completely is our own inability to agree among ourselves, first, whether we should do so, and, if so, how we should do so. That, I suggest, is an intellectual and moral impediment which exists in the minds and character of our public men and citizens. It is not a legal impediment which needs to continue to exist in our constitution.

Having full powers of self-government available to us, we have to decide whether we shall use them completely to govern ourselves, or whether we shall leave important functions of the government of Canada to be discharged by legislative and judicial bodies of the United Kingdom—by the United Kingdom parliament at Westminster, and by the judicial committee of the United Kingdom privy council. And if we come to the point in the interests of complete self-government in Canada where, for example, we no longer ask the United Kingdom parliament to amend our constitution for us, it is certainly not because the United Kingdom parliament—the mother of parliaments, the outstanding sanctuary of political freedom—is not a most excellent legislative body.

If we no longer wish to have the United Kingdom privy council hear the final appeals of our Canadian lawsuits, and to be the ultimate interpreter of the laws which we make in this chamber, it is not because the privy council is not today perhaps the strongest law court in the world. We shall always be grateful for the massive judicial services which the privy council has performed for this country. We shall still remain conscious of its greatness as a court of exclusive ultimate appellate jurisdiction. Indeed, sir, we desire in our supreme court to emulate that greatness as a court of ultimate exclusive appellate jurisdiction; and we think that the best, if not the only way, in which we can begin to do so, is to make our own supreme court also one of exclusive appellate and ultimate jurisdiction, by passing the bill we now have before us. If, as has been urged upon me by persons opposed to this move, our supreme court lacks experience as a court of last resort, it certainly cannot get that experience until it becomes one; and the first step toward its becoming one is the passage of this bill.

In support of the passage of the bill there are also a number of other arguments of a more practical nature, and, I suggest, of no inconsiderable force. It is said, for example, that the extra appeal to the privy council in respect of the ordinary case tried in a province, appealed to the appellate court of that province, from there to the supreme court and finally to the privy council, gives a great advantage to the more wealthy, reckless litigant, who, having lost his case in our supreme court, can, by the threat of further expensive proceedings, force a less wealthy or more prudent respondent to choose between having his judgment discounted into an unfavourable settlement, on the one hand, and, on the other hand, risking the hazards and the expense of another appeal to a court on another continent.

It is argued that privy council appeals tend to make the Supreme Court of Canada merely one of the appellate tribunals through which the Canadian suitor or lawyer must pass before he reaches that court in the United Kingdom which alone is clothed with power to determine, finally, Canadian litigation in general and his lawsuit in particular.

One of the difficulties of this arrangement has been that of counsel advising his clients as to when, and under what circumstances, and in what class of cases, the litigation in which his client is involved is likely to be ended if taken to the Supreme Court of Canada at Ottawa. He is always confronted with the chance that if it be taken to Ottawa it may, in the long run, have to be fought out all over again in London, in which case there is the added cost and delay of the appeal to London and of the application to the privy council for leave to appeal. Perhaps in some instances he is disposed to conclude, therefore, that it would be better to go direct from the provincial court to the privy council. This, in part, explains why, in spite of the fact that the very considerable expense of going to the privy council is greatly in excess of that involved in going to Ottawa, there are a number of cases in which the parties bypass the supreme court altogether and go to the privy council direct. This condition will continue as long as the judgment of the Supreme Court of Canada is not final and conclusive. For until it is made final and conclusive, as we propose to do in this bill, there is no sure and certain ultimate destination for the Canadian litigant, short of the privy council, in any of the large class of actions within privy council jurisdiction.

This situation is further aggravated by the fact that this court, to which Canadian lawsuits must go for final determination, is one in the composition of which Canada virtually has no voice, and upon which it has never had adequate representation. Under the

British North America Act we have power in our provincial legislatures and in this parliament to make our own laws, but heretofore we have had no say with regard to the tribunal which is finally to interpret them.

But, sir, these more practical arguments, it seems to me, are by no means the most important by which the abolition of the appeals to the privy council can be supported.

The real issue in this matter, I submit, is whether, having available to us, for the asking, all the constitutional power which we require to take unto ourselves the complete powers of self-government of a sovereign nation, we as members of parliament can rise above lesser loyalties and lesser considerations to think and act as citizens and legislators of a great country. In many other respects our forefathers and we ourselves have done so. The first pioneers of this land, the hardy pioneers of New France, have been described, by one unsympathetic by temperament and religious views to those of whom he wrote, in language the eloquence of which is unsurpassed in our literature.

"The French dominion," wrote Francis Parkman, "is a memory of the past, and when we evoke its departed shades, they rise upon us from their graves in strange romantic guise . . . A boundless vision grows upon us; an untamed continent; vast wastes of forest verdure; mountains silent in primeval sleep; river, lake and glimmering pool; wilderness oceans mingling with the sky. Such was the domain which France conquered for civilization. Plumed helmets gleamed in the shade of its forests, priestly vestments in its dens and fastnesses of ancient barbarism. Men steeped in antique learning, pale with the close breath of the cloister, here spent the noon and evening of their lives, ruled savage hordes with a mild, parental sway, and stood serene before the direst shapes of death. Men of courtly nurture, heirs to the polish of a far-reaching ancestry, here, with their dauntless hardihood, put to shame the boldest sons of toil."

Even our school children know that enterprisers in the fur trade—this is particularly true of my own western part of Canada—ranging over the continent in the competitive search for new trading fields, conducted, almost as a by-product of their business activities, voyages of exploration and discovery which in conception, competence and achievement would have done justice to professional explorers. It is true that in some cases these men were not Canadians by birth, but Canadian was the environment which evoked their genius and made them great.

The United Empire Loyalists, whose adherence to the political principles in which they believed drove them into the virgin forests of the maritime provinces and of Canada, strove and succeeded in laying there some of the most important foundations of our nation. Canadians and new immigrants to Canada, with almost incredible rapidity, transformed the wilderness of the prairies and the mountains into fruit lands and huge timber, mining and fishing industries and into a granary, not only for Canada but for the world.

Statesmen, businessmen and workmen of the little Canada of some 4½ million souls of the 1870's, with a sublime, almost a ridiculous, confidence in the Canadian future, embarked upon the construction of a transcontinental railway, over 3,500 miles long, no less, the western 2,500 miles of which had to traverse the Pre-Cambrian shield and the prairies and three mountain ranges in order to reach the Pacific coast; and in the beginning had to depend upon less than 200,000 men, women and children dispersed throughout this vast area for its operating revenue. Yet their efforts too were crowned with success.

And in the realm of the spirit, this Canadian nation, thanks to the tolerance of her people and to the fairness and wisdom of her statesmen, I am happy to say of all parties, has contained two main races, two great religious groups, and two languages, with less enmity and more unity than any other country in the world in which these conditions obtain, with the possible exception of Switzerland.

All these Canadian men and women thought and felt and acted as the citizens of a great country. So, too, did those who contributed to the war effort of Canada in two world wars, in which in relation to her manpower and resources Canada has made heroic efforts and sacrifices in defence of freedom and peace.

By far the most powerful argument, therefore, for the passing of this bill as a step towards complete self-government is that Canada in almost every other respect—politically, financially, economically; in the realm of foreign affairs; in both her primary and secondary production; in her trade and commerce; in her assistance to less fortunate nations; in her armed support of freedom and peace—has attained a complete and honourable nationhood. The question is whether it is consistent with that nationhood that we should continue an arrangement with regard to the hearing of our law cases which was begun in colonial times and still preserves its colonial characteristics; and whether we should continue this arrangement in the face of the privy council judgment which in the clearest possible terms declares Canada's sovereign right to pass laws to establish her judicial sovereignty.

Surely, Mr. Speaker, we have here a country which from the beginning has had many qualities of greatness, which is more united, magnanimous and powerful today than it has ever been, and whose resources and possi-

bilities seem to require only that we should ourselves act as the citizens of a great country to make our Canada achieve the destiny of which she is capable.

We, the citizens of such a country, should not ask those of another, even though they be of our own blood, to decide our lawsuits for us, interpret for us the laws which we pass here, and provide amendments for our constitution at our request when we need them. If in smallness of mind and meanness of spirit we needlessly perpetuate such a situation, we are unworthy of the efforts and sacrifices of our fellow-Canadians, and undeserving of the bounty which Providence has bestowed upon our country.

I submit that the passage of this bill will be an historic occasion. It could well have taken place before now. It should not be postponed for an instant longer, and it should be followed by the last essential of our complete autonomy, namely, the taking unto ourselves of the right to amend our own constitution.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, in view of the fact that the printed bill in English was not available until late this morning, and I understand the bill in French has not yet been delivered, I believe the Prime Minister (Mr. St. Laurent) is agreeable to the adjournment of the debate, and I so move.

Mr. Church: It is a most unusual proceeding.

Motion agreed to and debate adjourned.

SUPPLY

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

DEPARTMENT OF LABOUR

142. Departmental administration, $735,337.

Item stands.

DEPARTMENT OF JUSTICE

121. Departmental administration, $256,281.

Item stands.

DEPARTMENT OF NATIONAL DEFENCE

General services—

239. Grants to military associations, institutes and others, as detailed in the estimates, $227,150.

Item stands.

DEPARTMENT OF TRANSPORT

453. Departmental administration, $836,737.

Item stands.

DEPARTMENT OF AGRICULTURE

Administration service—

1. Departmental administration, $282,160.

Mr. Ross (Souris): If the Minister of Agriculture is not going to make a statement on this item, I desire to make a few remarks and ask some questions.

First of all, Mr. Chairman, may I take this opportunity of congratulating you on your appointment as Deputy Speaker and chairman of committees of the whole house. I should also like to express my appreciation to the Minister of Agriculture. After his severe illness I am sure that all hon. members are happy to see him back at his post, and we wish him a rapid recovery and many years of good health.

The cost of living in Canada has been increasing month by month until it has reached an all-time high. I wish to refer to the false accusations which have been made with respect to agricultural production being responsible for this. I should like to quote a few figures taken from the Winnipeg *Free Press* of September 15, the day that parliament opened. They are quotations at Winnipeg, Manitoba, as to Canada, and at St. Paul, with reference to the United States, with the exception that in the case of wheat the quotation is at Minneapolis, the twin city of St. Paul:

	St. Paul	Winnipeg
Choice steers, live weight	$0.32	$0.22
Good cows	.20	.14½
Veal calves	.28	.24
Hogs, live weight basis	.21½	.22
Lambs	.23	.20
Wheat (Minneapolis)	2.22½	2.05*
Wheat (Minneapolis)		2.12†

*Contract
†Open market

You will note that under our contract with Great Britain the price of wheat is $2.05, and on the open market it is $2.12.

In recent years it has been frequently admitted that our neighbours to the south have a much higher standard of living than we have, but that their cost of living is also very much higher. For purposes of comparison I have some figures that should be interesting to every household in Canada. They are taken from the same newspaper, the Winnipeg *Free Press*, on the same date, September 15. They are as follows:

	St. Paul	Winnipeg
Sugar cured side bacon	$0.43	$0.47
Spring lamb	.59	.59
Pot roast of beef	.39	.38
T-bone steak, commercial	.59	.57
Canned ground pork and beef	.39	.50
Grade A roasting chickens	.43	.49
Canned shrimp, 5-ounce can	.33	.55
Argentine corned beef 12-ounce can	.43	.47
Oleomargarine, per pound	.29	.39
Butter, first grade	.59	.61
Shortening, 3-pound can	.85	1.15
Bread, wrapped, pound loaf	.11	.10½
Orange juice, 48-ounce can	.29	.58
Soap flakes, large package	.27	.35

I am sure that is a most interesting contrast between what the agricultural producer in Canada receives for his products and what is received by the agricultural producer in the United States, and, on the other hand, what the farmer's wife and every housewife in Canada has to pay for the articles that I have mentioned. That was the situation on the day that parliament opened.

A recent survey by the Sanford Evans bureau in Winnipeg points out, with respect to wheat, that in the period from 1945 to 1949 the Anglo-Canadian wheat agreement cost Canadian farmers $536,229,978. That is the loss—the difference between what the farmers in the United States received for their product compared with the amount received by our agriculturists. According to this bureau, the average half section in western Canada, had a loss each year of $1,064, or, on a bushel basis, the United States farmer received approximately 50 cents more per bushel for his wheat than his Canadian neighbour did during those four years.

At a given point, North Portal, where the main street divides the village, and the United States farmer delivers his grain to the elevator on one side of the street and the Canadian farmer delivers his grain on the opposite side of the street, there is a very great difference today. The United States farmer is receiving considerably more per bushel for his wheat than the Canadian farmer, for the same grade, just across the street in the same village.

I pointed out in the last session of parliament that since 1942 the policies of the government have cost our agricultural producers over $2,000 million that they might have had if they had been able to market their product on the same basis as the farmers of the United States. I point that out because today we are facing falling markets for our agricultural products. We were assured in this house by the then Prime Minister and the Minister of Agriculture that such a condition would have to be taken into account in a period of falling prices. I hope the Minister of Agriculture will give us a lead with respect to those statements which he and the former Prime Minister made so often in this house.

I referred to the cost of living. According to the Bank of Canada report for August, the cost of living now stands at 162·8, an all-time high in the history of this nation. It has risen consistently month by month for some time, and anyone can see that if he refers to the figures. As I stated, while that cost of living has been rising month by month, the prices received by our agricultural producers have been falling month by month.

I have here the most recent copy of the *Rural Co-operator*, an Ontario paper, pointing out that farm produce prices have dropped during the past year. It names many of the articles we do not produce in the prairie provinces, so it is quite apparent that this situation extends from coast to coast. There is mention of a severe drop of 54 per cent for pears and other fruits. There was a drop in potato prices as well as in the prices for Ontario wheat, which is not handled by the Canadian wheat board. The figures for the drop in the prices of oats and barley are given. It is an interesting article published by a farm organization in the province of Ontario.

Last night the Minister of Finance announced a ten per cent devaluation in the Canadian dollar. I do not think there is any doubt that this will again proportionately increase the cost of living to every householder in Canada. I know personally that it will increase the cost of production on every farm in Canada. The cost of new machinery as well as the general cost of production will be increased as a result of that measure.

So much for that point, Mr. Chairman, and the many false accusations that have been made in various parts of this country, blaming the farmer for the increased cost of living. The blame lies somewhere else. A year ago we had a costly and futile investigation into the cost of living. It proved little or nothing and prices continue to increase.

I should like to mention a matter which particularly affects the three prairie provinces. It has to do with the Prairie Farm Assistance Act. This act is supposed to cover the provinces of Alberta, Saskatchewan and Manitoba. Every grain farmer who sells a bit of grain has to make a contribution of one per cent to the fund provided for by the act, although this does not take care of the entire insurance scheme.

I have here the last Searle Grain Company report, which says that 70,000 farmers will draw assistance payments under the act. Thirteen million dollars will be paid to 50,000 farmers in 1,700 townships in Saskatchewan. Twenty thousand farmers in Alberta in a thousand townships out of a total of 100,000 Alberta farmers, will receive approximately $4 million. These payments will be made to farmers whose fields yielded eight bushels or less per acre. It will be remembered that all farmers contribute to this limited form of cash insurance by paying each year one per cent of the value of the grain they deliver to country elevators. It will be seen, therefore, that thirty-six per cent of all Saskatchewan

and twenty per cent of all Alberta farmers will be receiving Prairie Farm Assistance Act payments.

No mention has been made of Manitoba. I am not sure whether any township in that province will come under the act this year. I believe surveys are being made now to determine that. Some mention is made in the speech from the throne of amendments to this act. I want to point out that it has proven very unsatisfactory, because it is applied on a township basis, even though each grain farmer makes his contribution. During this past growing season, in most parts of Manitoba there was a most promising crop. I have never seen a heavier stand in my life. In the midst of that growing season part of Manitoba suffered a severe infestation of aphids. The aphid is a bug which is so small that it is difficult to see.

Here and there throughout southwestern Manitoba there were farmers who did not harvest any cereal crop. The township average, however, might still be high. This infestation was most peculiar. There would be a group of farmers with a splendid crop, and next to them there would be a farmer who had no cereal crop. As I say, the township average would be well over the eight or twelve bushels per acre. Many farmers—I am sorry to say that a large number of them are veterans operating under the Veterans Land Act—have come to me and said that they cannot properly sustain their families for the next twelve months and have seed for next year's operations. I am pointing this out to the minister now because it is possible we might be dealing with the amendments to this act before we come to the proper item in his estimates. I hope his officials will give consideration to this situation, and that amendments will be brought forward whereby the payments will be made on an individual basis. With the payments on a township basis, as they are under the present act, payments cannot be made for individual crop failures.

We in Canada, as has often been said, have a potentially large agricultural production. At times, however, our export problem becomes great. True enough, it is an international problem now. A large percentage of all our agricultural production must be exported if we are to have prosperity in this country. In recent years we have been extremely fortunate because Britain, one of our very best customers, has been able to use ECA funds from the United States for the purchase of our agricultural products. I am sure we were all pleased that our governmental officials were able to succeed at Washington in having United States funds provided to complete the fourth year of contract under the Anglo-Canadian wheat agreement. I do not believe Britain would have found it possible to complete the fourth year of contract had this fund not been provided.

I believe we all realize, however, that this is a rather temporary state of affairs. We are greatly concerned about future markets. We realize there must be a considerable amount of advance planning for agricultural production in this country, whether it be grain-growing, livestock or dairy production. I know that many people in my neighbourhood have not finished this year's harvesting, but they are keenly concerned about what they should be doing with regard to production in 1950.

It may be that the next session of parliament will not be convened early enough for the people to be told what they should produce. It is not only the people who produce the materials who are interested in that, but those who sell it, those engaged in transport, bankers, and a host of people in all parts of the country. It is a matter of importance to the other branches of agriculture in the various parts of Canada, to the British Columbia fruit producer and the dairy producer in the east. It is important to the potato grower, concerning whom a question was asked today at the opening of the sitting.

I know that as a matter of administration there is a technical division between our agricultural production and our markets. The Department of Agriculture is solely responsible for guidance as to production, while the Department of Trade and Commerce is responsible for markets. I am sure that at this point no one is going to be concerned over the technicalities as between these two departments. But before we pass this item I hope that the minister, for the benefit of Canadian producers, will indicate what he expects in the coming year in the way of markets for many of these agricultural items. You cannot expect people to produce beyond their own requirements if there is no satisfactory market in sight in some of these other countries. I trust the minister will take the first opportunity of making a statement in this regard.

Right Hon. J. G. Gardiner (Minister of Agriculture): I had intended to make a short statement but I am pleased that the hon. member for Souris took the opportunity of expressing his point of view before I had the opportunity to do so. I wish to join with him in expressing my own appreciation of the fact that you, Mr. Chairman, have been appointed to the position you now occupy, and I am quite sure that we shall carry on in this committee under your chairmanship much in the traditional manner.

The house itself is composed of members selected from all parts of Canada; and as a sort of mild reply to some of the suggestions which have been made by the hon. member for Souris I should like to point out that by far the greater part of the agricultural sections of this country is now represented in this house by members from rural areas who support the government in such great numbers that many of them are obliged to find seats to the left of Mr. Speaker.

Mr. Ross (Souris): Especially from Saskatchewan.

Mr. Gardiner: That fact in itself should be a fair indication that at least the farming population of Canada has been fairly well satisfied with the agricultural policy of the government.

The suggestion which was made a few moments ago to the effect that I should be prepared to give to the committee, at this stage, figures with regard to production, marketing and all that kind of thing, leads me to make some suggestions which probably are not as familiar to those new members who have been elected to the house as they will be to those of us who have been discussing these estimates over a considerable period of time.

This item before us is the item of administration; and in this committee since I have been here, that is, for the last fifteen sessions, and I think for a long time before that, on this item hon. members have been encouraged to discuss agricultural questions in a general way, basing their right to do so on this item on the fact that administration covers all parts of the Department of Agriculture and therefore that on this item a general discussion can take place on almost anything having to do with agriculture. But I can assure you that it never has been the custom to expect the minister on this item to give detailed information with regard to quantity or anything else having to do with the particular items which will be discussed individually as we move along from one item to another. When we are on the item which has to do with production I shall be prepared to give all of the information which is available with regard to the production of agricultural products and the relationship of their consumption in Canada to the necessity of marketing them outside Canada. Hon. members need only look at the estimates in order to find where that item is.

The Department of Agriculture is divided into five divisions: administration service, science service, experimental farms service, production service, marketing service and special. What I am pointing out is that when we come down to the item which is production service, either I shall have all the information here at my own fingertips or the two gentlemen in front of me will have it at theirs to answer any question that anyone desires to ask or to give the kind of information which the hon. member for Souris has just said that this committee will expect at some stage. He suggested that the committee might expect it at this stage under "administration". I would suggest to hon. members that if we are to proceed on that basis there would be no necessity at all for our considering the other items. We would be considering them all on this item. Therefore I am hoping that the chairman will keep us in order and permit a sort of general discussion on this particular item which will permit of members expressing opinions with regard to certain matters having to do with agriculture, but that we shall all content ourselves until we get down to the individual item about which we are concerned, and not ask for detailed information based upon statistics.

Having said that, I just want to point out that on page 2 of the estimates there is a table which gives a summary of the expenditures for the last year and the proposed expenditures for this year. Agriculture, because of the fact that it begins with the letter "A", is the first department in that summary. At the top of that summary hon. members will find that the amount to be voted for this year—that is for 1949-50, the year we are now in—is $49,396,253 and the amount authorized by statute is $12,000. Therefore the total is $49,408,253. The total for the year previous was $60,044,038. In other words, there is a decrease of $10,635,785. It may be thought by some that that is a decrease in the payment for what is generally known as agricultural services in Canada, but that is not exactly correct.

Just for a moment or two I should like to give a few figures with regard to past expenditures on agriculture, expenditures during the peak years of wartime and the expenditures we are making now, in order to illustrate the reason why the proposed expenditures are lower for the year we are now in than the actual expenditures for the year preceding. In the early 1930's—that is, prior to the war—the expenditure of the Department of Agriculture for all purposes ranged from around $7 million to $8 million a year. By 1938-39 total expenditures had risen to approximately $22 million a year and they remained at that figure until 1940-41 when they were still around $22 million. In other words, there had been a considerable increase in expenditures for general activities in relation to agriculture in the years immediately preceding the war. Then in the following year,

1941-42, expenditures under this department jumped to $83 million. There was no important change in the regular departmental expenditures nor in the general administration costs. The increase was largely accounted for by payments under the Prairie Farm Assistance Act, which was a new act, the wheat acreage reduction plan and the introduction of food production subsidies, in order to encourage the provision of those large supplies of food which were required to supply the British demand in the early years of the war. The peak year of expenditures was 1943-44, when through this department we spent $110 million. In fact, the expenditures of the department during most of the war years ranged from $95 million to $110 million annually. Food production subsidies and freight assistance were major items during those years. Costs of administration moved up moderately owing to increased salaries and rising cost of supplies, but there was no great increase in costs of administration, the item we are now dealing with. During the years when there were these considerable rises and falls in the expenditure of this department the regular departmental services declined in cost from $10 million in 1938-39 to $8,800,000 in 1943-44. That is, from one of the years just prior to the war down to the peak year of the war there had been a decline in expenditures for ordinary activities in the department. The great increases had to do with matters that pertained largely to the prosecution of the war, and the necessity of supplying food in connection with that prosecution.

Coming to the point that I wish to make, following the cessation of hostilities food production subsidies declined in amount and were eliminated one by one, until at the present time the only important remaining items in this category are freight assistance on feed grain moving from the prairies to British Columbia, and from Fort William eastward, and quality premiums on hogs. These two items still remain. I might say that the quality premiums on hogs were in existence back, I think, as early as 1922 and continuously from then on to the present. The only difference in the premiums now, as compared with the period prior to the war, is that they were paid out of the sale price of the hogs in the years preceding the war through an arrangement entered into with the packing houses. Now they are paid out of the treasury of Canada, and have been since early in the war period. Therefore that item appears in our estimates; whereas it did not appear there before.

These items now account for expenditures in the neighbourhood of $20 million annually, depending somewhat on the volume of production in different regions, that is, the volume of production of feed grains in different regions. If the production is low in the east and high in the west, then of course there is much more feed—I speak now of the west as the central prairies, and I include British Columbia along with the east. If the supplies are high in the one area and low in the other, then it affects the amount of grain which has to be moved back and forth in Canada, and affects the amount of assistance which is given on the payment of freight for that movement.

In the main estimates now being considered by the house, provision is made for about $20 million for these purposes. But I call attention again to the fact that that is in comparison with the $22 million which we were expending just prior to the war. The great rise in expenditure from $22 million to $110 million was largely due to very special conditions existing during the war which required large expenditures of money in order to persuade farmers to change from one activity to another and in order to obtain exactly what we required during the war period. As an illustration, in one period we required cereals, and we switched later from cereals to a supply of livestock products. Then we switched back from livestock products to a supply of cereals again, and in the process certain subsidies were paid, or certain encouragements were given to farmers to go from one line of production to another. We are not following that line of policy at the present time, and therefore these expenditures are not made. But we are continuing the very heavy expenditures which have to do with the payment of freight on feed grain from one part of Canada to another, which has something to do with the increase from $22 million up to $50 million. We are also now paying out of the treasury these considerable amounts that constitute the premiums on high-grade hogs which were previously paid in another way. They are being paid perhaps to a little greater amount at the present time than they were before. That makes up largely the new expenditures; but as we go along in dealing with these estimates it will be found that there have been considerable increases in connection with the general expenditures having to do with agriculture.

The other items which are almost entirely new since four or five years before the war are what we call the specials, which are at the end of the table. These specials have to do largely with the work which is being done in different parts of Canada in order to bring about the developments which we think are worth-while in agriculture. In British Columbia we are spending some money to assist in the bringing about of irrigation in some of

the valleys where it is urgently required. We are doing something to bring about proper drainage in some other valleys, particularly where returned men of one or other of the two wars, or both, have been settled in that province. These expenditures are comparatively new. They started just before the war, were continued during the war, and are still going on. Then on the prairies we have expenditures having to do with the Prairie Farm Rehabilitation Act. That is the rehabilitation of an area which most of us, I think, are agreed now had not been properly settled in the years when it was being settled under the administration of policies which originated in Ottawa.

Therefore some years ago the parties generally in this house agreed that some money should be spent in order to rehabilitate those areas. I think a better word to use in connection with it is to resettle some of these areas and get people off submarginal lands in so far as it is possible to do so and to improve the land on which they are going to settle and where others have already settled, under conditions where it will not be necessary, even in the most difficult drought years, to move, provided better use can be made of the water available. Therefore there is an expenditure there which is new in the years beginning in 1935 and extending down to the present, which we did not have before. In addition to that, there is an expenditure upon an item which was mentioned by the hon. member for Souris, namely, prairie farm assistance.

What I should like to emphasize at this time is the fact that prairie farm assistance is an item which was placed in our estimates first in 1939 because of legislation which we placed on the statute books in that year. It is not generally understood that the Prairie Farm Assistance Act is closely associated with the Prairie Farm Rehabilitation Act. Under the Prairie Farm Rehabilitation Act it was planned that over some twenty or twenty-five years we might make a very great contribution toward the resettlement of those areas where it had been proven that drought is so persistent that people cannot make a comfortable living on submarginal land, and that these people ought to be removed from these lands as soon as possible, or conditions should be created, through the expenditure of money upon irrigation, which would make it possible for them to live on some of them, which are only submarginal because of low rain fall. Therefore, while we are going on with the development of the plan, it was felt wise to make some provision to enable people to live where they are until such time as we can either bring about better conditions where they are or make it possible for them to move elsewhere.

So we undertook prairie farm assistance. I am afraid many people still have the idea that that is a form of individual insurance. If it had been, we could never have put it into effect here. That has been tested out on other occasions. It was suggested at one time that we should have hail insurance brought into effect by the federal government. However, it was investigated at that time and the declaration was made that insurance is a matter which falls within the control and responsibility of the provinces. If we began to levy premiums in the manner in which premiums are levied in connection with insurance, we would be running into difficulties both constitutionally and financially.

Other forms of dealing with the situation were considered. In respect of hail, the insurance was brought into being in each of the three western provinces. It has been administered with more or less success in each of those three provinces, although it has been changed from time to time. However, it has always been done by the provincial governments and authorities. There has been no suggestion that we should carry it on from Ottawa.

When we brought down the Prairie Farm Assistance Act we acknowledged that. We said that it was not possible for us to bring it down in the form of insurance legislation. We could not put it on the basis of individual premiums paid by individuals. We recognized also the fact that even if we desired to do so, and had the authority, it could not be made effective for the particular job which had to be done. That job was to make it possible for some people to live where they had been put, or where they had been encouraged to go—and where they never should have been encouraged to go—until such time as we can prepare conditions under which they can live to advantage in those areas, or provide some place to which they can be moved and where they would be better off than they are now.

Therefore we have said we must provide some fund from which payment can be made on a basis which would make it possible for them to continue. But this was not on the basis of an insurance from which they would draw a certain percentage of the value of the crop which in good areas it would be possible for them to grow. That plan could never be financed in Saskatchewan. However, it has been shown, as the hon. member for Souris has said, that it could be financed in Manitoba. It has been just as effectively proven, however, that it could not be financed

in Saskatchewan. The amount of money which would be necessary in any one of the bad-crop years to insure crops in Saskatchewan would be more than could be raised by any system of raising revenues which one might wish to follow in that province. Any fund created for the purpose would disappear in such a short space of time, on occasions, that no one would undertake to build it up again.

We said therefore that, in order to make this effective, about all we could guarantee to the people living there would be that their store bills would be paid. We said that the store bill a farmer might run up during a summer season might run from $150 or $200 up to $400 or $500. We said that it was impossible for a merchant in the village or town to carry farmers through a season, with accounts of that size, knowing that there was a possibility of a complete crop failure at the end of the year, in which event no payment could be made by those people. Not only would the farmers be in difficulty, but every businessman in the community and every wholesaler and manufacturer in eastern Canada who supplies retailers in western Canada would be in a difficult financial position.

We said therefore that what ought to be done would be to tax all the people of Canada for a time, because a government representing all Canada possibly had made some mistakes in the beginning in connection with the settlement of these people, and that therefore we should take over that obligation for a time in order to make it possible to pay the store bills. Therefore we set up what is known as prairie farm assistance.

It was our intention in the beginning to take all the money for this whole program out of the treasury of Canada. Suggestions were made to us, however, by those representing farm organizations and farm groups, that the farmers themselves in different parts of western Canada would be quite willing—indeed they would prefer—to subscribe something toward the fund to be set up. We said therefore that in order to collect something from most of the farmers of western Canada we would collect at the elevators one per cent of the value of all the grain delivered in any particular year, and would put it into this fund. This means there are people living in areas who never expect to collect. I have in mind the greater part of Manitoba. The people living in the area in which I live have never collected, and perhaps never will. That is true of a large part of the northeastern section of Saskatchewan. This year, for instance, the crops are just as good there as those in Manitoba described by the hon. member for Souris. But in the southwestern part of Saskatchewan for three years the crops have been just as poor as they were at any time during the worst years of the thirties.

Mr. Brooks: Has the minister's policy succeeded in moving the people out of that section of Canada for which all the rest of Canada has been paying?

Mr. Gardiner: I shall come to that in detail when the item is reached, but I shall answer it briefly in a moment. However, those are the matters with which we dealt, so far as the western provinces are concerned.

My hon. friend from New Brunswick has asked whether these people had been moved. Let me say that before the war began we had taken out of cultivation or possible cultivation 1,500,000 acres of land, and fenced it in for community pastures. We regrassed land which had been broken up and cropped, and which was considered to be submarginal. We had moved 1,400 families off those lands onto other lands. Some of those lands were in Alberta and some in Saskatchewan. In Saskatchewan there were 1,300,000 acres in the pasture category. The greater part of the remainder was in Manitoba. The only reason we did not convert a very considerable part in Alberta into community pastures was that the government of that province preferred to carry on its own program in that connection, and did not wish that we should carry it on in the same manner we had in Saskatchewan or in Manitoba. At the present moment, in a limited way, we are getting into Alberta with that policy, and we are proposing to proceed with it.

Mr. Smith (Calgary West): Is that in the southeast corner?

Mr. Gardiner: Partly there, and up along the east side. The hon. member from New Brunswick has asked how much we have done. I am prepared to admit that 1,400 families are not very many; but I remind the hon. member that this was all done before the beginning of the war. When the war began there were many reasons into which I shall not now go, but which the hon. member will understand, why it was neither necessary nor possible to carry the policy further at that time.

However we are now back at it again, and the items in these estimates under the heading of specials will afford an opportunity to discuss all the questions with which we are now confronted in putting in larger irrigation projects to take care of people who are living on lands which are very good and which are submarginal only because of the weather.

Several projects have been carried on for the purpose of creating more areas to which people can be moved from some of these submarginal lands.

We expect and hope that in the years that are just ahead these people may be moved in thousands whereas they were moved in hundreds before.

That in general is what we have been dealing with in the western part of Canada. In connection with the eastern part of Canada we have had a long standing battle in this house, which hon. members know about and no one better than the hon. member for Cumberland (Mr. Black), to try to have something similar done in connection with the marshlands in the provinces of New Brunswick and Nova Scotia, and in a more limited way in Prince Edward Island. I am not yet familiar enough with Newfoundland, although I hope to go down there and become better acquainted with that province, to know whether the same thing should be done there as is being done in the other maritime provinces.

The fact is that there are lands there which were some of the most productive and most helpful in maintaining farm population. These had been operated for one hundred and fifty years or more as lands protected from the sea by dikes that had been built around areas that were flooded when the tide was high but were not flooded when the tide was low. Because of certain conditions, which I will not refer to now, having to do with the tariff levied against us from time to time by the country to the south, the state of agriculture in that part of the country was somewhat changed. The production of livestock was not considered as important as it had been at one time and some of this area was allowed to go back. The dikes were washed out, the sea came in, and the land was no longer productive.

We have carried on experiments on a piece of that land in association with the experimental farm near Amherst. These have proved to us that three times as much hay can be grown on that land, if it is properly protected and properly taken care of, as can be grown upon it if it is not so treated. The first effort toward that experiment was carried out by my predecessor, who purchased the land. Just about the time he purchased the land there was a change in government.

I went down and looked at it some fourteen years ago and came to the conclusion that he had previously come to, that it was something worth doing. As I say, we have had a long battle, or perhaps "long discussion" would be the better term to use, from that time down to this in an effort to convince members on all sides of the house who have any influence upon the administration, either provincially or federally, that a problem such as that is somewhat akin to the irrigation problems in the west.

No group of farmers can pay all the capital cost. They did not in the first instance. I understand that France had something to do with some of the first works that were erected during the period that she was operating on this continent. Great Britain had something to do with some of the others. Usually these works were carried out following a war, when there were troops available. The method used was similar to that followed in the construction of other great works such as some of the canals that we have in the central part of Canada. That kind of thing never can be done and charged up against the land that is going to benefit any more successfully than you can charge $50 per acre as an irrigation cost against land in western Canada.

Finally we prevailed upon this house and the government of Canada to permit the spending of money down there for that purpose. Of course, expenditures will go on in other provinces in eastern Canada for similar purposes, but they must be similar before we can justify them on the same basis. These expenditures will go on from time to time in order to make land productive and capable of producing greater quantities of food, not only for the people in this country but for people elsewhere.

In general those are the activities that will be carried on under the last item. This last item, together with the two items I referred to a moment ago, namely, the payment of freight on grain from the prairie provinces to British Columbia and to eastern Canada and the payment of a premium upon hogs, are responsible for the greater part of the increase from $22 million to close to $50 million which is now being expended on matters having to do with agriculture.

That is all I wish to say at the moment. As all hon. members know, this is a time when they are free to get up as often as they please to ask questions, and when I am free to speak as often as I like. I am supposed to be able to answer the questions asked by members but I say to hon. members that if they will wait until the proper time to ask their questions I will guarantee to answer them. If they insist on asking all the questions in the next two or three days, when we are dealing with the general item, I am afraid I shall have to sit here and listen to those questions and try to remember them, and then have them repeated when we get down to the particular item. I hope it will not be necessary for us to do that and that hon. members will not make it necessary for me to tax my memory to that extent.

Mr. Wright: Mr. Chairman, on this my first opportunity to speak I should like to compliment you upon your new appointment as chairman of the committees of this house. As we have known you during past sessions we are sure you will fill this position with justice and honour.

I should like to say, both personally and on behalf of our group, that we are glad to see the Minister of Agriculture dealing with his estimates with his usual vigour. We understood that his health was poor, but we are glad to see that he has taken over the handling of his estimates in his usual capable manner.

Mr. Smith (Calgary West): His voice was never sick.

Mr. Wright: It is a pleasure to see him doing so well. While we do not always agree with with him back in the province of Saskatchewan, we always enjoy a fight with him out there. Sometimes he wins and sometimes we win. This time he believes that with the return to this house of a number of rural members from Saskatchewan there is an indication that there is agreement generally in Saskatchewan with his agricultural policies. However, I would point out that there were other matters besides his agricultural policies which entered into it.

One of the things causing a great deal of concern, not only to farmers but to consumers, is the increased cost of living in this country. A great many people when looking at the cost of living indexes which are issued from time to time are inclined to blame the major part of the increase on the increase in the cost of food. I am sure that if they will go into the matter more deeply they will find that, while that is a major item, it is not the farmer who is getting all of the benefit of the increase in the price of foodstuffs. If you consider what the farmer was receiving in 1944 and 1947 during the war and compare it with what he is receiving today you will find that today there is a greater difference between what the farmer receives and the price the consumer pays than there was during those years. The processors and the people selling agricultural products have increased their margins. The increased cost is not all going to the farmer.

One thing which is particularly alarming to the farming population of Canada is the loss of our markets for certain products. In reading a bulletin on foreign trade issued by the Department of Trade and Commerce, I was surprised to find, in the issue of August 27, certain figures which indicate a tremendous drop as far as our markets for agricultural products in Great Britain are concerned. The Minister of Agriculture may say there are factors there over which his department has no control, such as currency, and so on. I will admit that, but nevertheless the policies of the government have largely been the cause of the loss of those markets, either by reason of refusal to reduce tariffs in this country to allow British goods to come in and thus provide the necessary dollars with which Great Britain could purchase our foodstuffs, or by reason of other policies of the government.

The bulletin to which I have referred states:

> Results of the policy of substituting soft-currency countries for dollar countries as sources of supply for imports into the United Kingdom are apparent from the trade returns for the first six months of the current calendar year. Typical Canadian products like oats, beef, poultry, apples, canned tomatoes, canned salmon, chilled and frozen fish and linseed oil have disappeared entirely from the list of imported commodities.

Then the article proceeds to give a further list of products which have been greatly reduced. It goes on to state:

> For the second year in succession, there were no sales of Canadian oats to Great Britain; practically the only source of supply was Australia with 979,000 hundredweights.

The article proceeds to point out that the market which we formerly had has gone to Russia and some of the other eastern European countries. Then the article continues:

> In over-all imports of flour (6·1 m. cwts.) there was a drop of 20 per cent. Canada's contribution (4·1 m. cwts.) fell by 46 per cent, while Australia (1·6 m. cwts.) supplied nearly ten times the previous year's quantity.

Further on the bulletin states:

> With the exception of bacon, Canada has now been practically eliminated from the United Kingdom market as a source of supply for meat.

The article states, as to poultry:

> The poultry market imported a total of 237,000 hundredweights or nearly double that of the previous year. Australia, Poland, Ireland and Hungary shared this increase, but there were no purchases from Canada.

As to shell-egg imports, the article states:

> The rise in shell-egg imports by 23 per cent to 116,000 dozen was principally due to substantial increases in imports from Denmark and Ireland. Canada's shipments (9,000 dozen) were only one-third of those recorded for the corresponding months of 1948. Purchases of liquid or frozen eggs totalled 364,000 hundredweights, more than double the 1948 figure. China, Poland and Australia stepped up their consignments. Canada's share fell to 2,000 hundredweights as compared with 38,000 hundredweights in the first half of the previous year.

As to dried eggs, the article states:

> Canada supplied 14,000 hundredweights as compared with 50,000 hundredweights in the corresponding period of the previous year.

It is the same story with fish and timber.

Another matter in which we are particularly interested in the province of Saskatchewan is the export of various seeds,

alfalfa and grass seeds, et cetera. The bulletin states:

> There was a heavy cut in purchases from Canada of agricultural seeds. The quantity recorded during the half year was 30,000 hundredweights, only one-quarter of the previous year's figure . . .
>
> Much of the Canadian business was switched to Denmark and the Netherlands, which contributed 48,000 hundredweights and 84,000 hundredweights respectively.

This is a serious matter as far as Canadian agriculture is concerned. In western Canada we are starting to export more and more grains rather than finished products. That inevitably will result in the depletion of soil fertility. The Minister of Agriculture was one of those who advocated diversified agriculture in the province of Saskatchewan. I think he was right, but today he seems to have forgotten that policy. He has told us during his remarks that during the war his department was able to direct the production of agricultural products in Canada, was able to switch from dairy products to grain, and from grain back to other products which were needed by the markets during the war. If that is possible in wartime, if it is possible to direct agricultural production in our economy toward certain ends, then I say it is equally possible in peacetime to direct agricultural production toward the end which will produce more dairy products, meat products, and those other products which will protect the fertility of our soil.

Mr. Gardiner: May I point out that in wartime we had the War Measures Act, and in peacetime we have not the War Measures Act.

Mr. Wright: If we have not the War Measures Act then it is time that the minister, after consultation with the provinces, did some of these things. I am sure the provincial departments of agriculture throughout Canada would co-operate with the minister if he would get together with them to formulate an agricultural program extending over a period of ten, fifteen or twenty years in order to direct agriculture in Canada toward ends which would be of benefit to the country. The minister may smile. He has not tried very hard to co-operate with the government of Saskatchewan on a great many matters, but I do not want to go into that now. We may go into it at a later date.

Agriculture is a matter which comes under the jurisdiction of the provinces and the dominion. It is a matter in which we have to have co-operation if we are to have an agricultural policy in Canada that will look to the future, not merely from year to year, not merely contracts which you make this year and renew next year, and then again the year after. Agriculture is something which must be planned and directed toward retaining the fertility of our soil.

I have an article from the Lethbridge *Herald* which reads:

> In 1944 Canada exported 291,000,000 bushels of wheat, 40,000,000 bushels of barley and 83,000,000 bushels of oats. Those exports represent 219,126 tons of nitrogen, 94,234 tons of phosphorus and 47,341 tons of potash besides the trace minerals from the soil needed to produce the grain.

Further on the article reads:

> We cannot go on forever drawing from the fertility bank without making some deposits to our account.

I think that is quite right. I think the minister should give the house some idea of what his department is planning for agriculture. Toward what end are we directing our agriculture? I can see in the future even more difficulties in maintaining our markets in Europe than we have had in the past, because of the recent devaluation of the pound. Today it takes more pounds to buy the products which the farmers of Canada have to sell. It is true that as a result of the devaluation of the dollar by ten per cent we get an advantage on the United States market, but what good is that market to us for most of our agricultural products? Unfortunately in the United States there is an economy which produces to a large extent the very things that we produce here. We have a market there for beef at the present time, but that is the only agricultural product that I know of for which we have any extended market in the United States.

In the United States they are faced with some very serious problems. I have in my hand a clipping from the *Christian Science Monitor* which reads in part:

> It took world war II to bail the government out of its previous spending spree in farm commodities. No such "solution" is now in sight. And things are now piling up faster than 10 years ago. After five years of such accumulations, the government still in 1940 had only about 10,000,000 bales of cotton, 500,000,000 bushels of wheat, and 200,000,000 bushels of corn. But in little more than a year it has now sunk almost twice as much money in farm products as its cumulative investment in the entire 1930's. And the recent twelve months' investment looks like not only a total but an annual rate.

The article goes on to state that at the present time the corn crop is being stored in oil tanks, university dormitories, and every place in which storage can be found. It indicates that in another year meat production will be increased in that country, so we might not have that good market for our beef which we have today. It is my opinion that our long-term market for agricultural products is Europe. We must do something to retain those markets.

Within the next month or two I expect our contracts for agricultural products, such as the one we have with Great Britain, will be

coming up for renewal. I should like the minister to give us some idea as to the prospects for renewing those contracts. I should like him to tell us what the prospects are with respect to other markets for agricultural products which we can raise in quantity. Those are some of the things about which I should like to hear the minister speak. I do not want him to go into details on the various items in his department. We will do that at a later stage. I do insist that two things are important at this time: one is markets and the other is production in a manner which will retain the fertility of the soil in this country.

Mr. Quelch: I should like to make a few comments at this time. I believe that, generally speaking, agricultural prices are fairly satisfactory today. On the other hand, there is a good deal of fear and uncertainty in the minds of the farmers as to what the future holds in store for them. I believe that is holding back a good deal of the capital development on the part of farmers because, unless they have some assurance as to what might happen in the future, they are going to be hesitant about making any large-scale investment in capital developments on their farms.

The farmers remember that since 1942, as part of the government's program, they were compelled to accept less for their farm produce than they might otherwise have received. That program was carried out in the name of stabilization, yet so far the only legislation on the statute books is the Agricultural Prices Support Act. True, there is the international wheat agreement, but apart from that the only legislation is the Agricultural Prices Support Act, and that expires on March 31, 1950. So far the government has given no assurance that, upon the expiration of that statute, the operation of the act will be extended.

As I say, at the present time prices are fairly satisfactory. On the other hand, unfortunately, crop conditions in many parts of western Canada were very unsatisfactory this year. In the district I represent, Acadia, crops were disappointing. Up until July 15, in the eastern part of the constituency crops were generally good. It appeared as though a bumper crop might be harvested. Unfortunately, after July 15, hot dry weather continued and in a short space of time the crops deteriorated, and as a result large parts of that area will harvest no crop. Strange as it may seem, the reverse was true in the western part of the constituency. The first half of the year was very dry and on July 1 most of the fields were still black; little or no grain had come up. After July 1, there were heavy rains and the grain came up. The grain was so late, however, that when heavy frosts occurred on September 9 most of it was frozen and a great deal of it will not be worth cutting. Consequently, a large part of that area will be eligible for payments under the Prairie Farm Assistance Act.

The people of Acadia constituency do appreciate the assistance that is granted under that act. I agree with what the Minister of Agriculture (Mr. Gardiner) stated when he said the federal government had some responsibility for helping to rehabilitate those people. The people in that area were encouraged to go there while it was still under federal government control. They were encouraged to settle there despite the fact that the federal government had received word that the land was not suitable for settlement. The history of that area has been tragic. Over sixty per cent of the population have moved out. With the help that has been given them under the Prairie Farm Assistance Act, the remaining forty per cent are now getting on their feet.

This area, however, will never be a safe area for agriculture until irrigation has been established. A program for irrigation was first set up in 1922; I believe that is when the first survey was made. Since that date surveys have been made from time to time, until today we have a project known as the Red Deer diversion project. I think it is unfortunate that that project has been made a political football. At no time has that project been made such a political football as during the last federal election. During the last election campaign, the Liberals in that part of the country told the people that unless Liberals were elected that scheme would never be put into operation. On the other hand, if they elected Liberals, the federal government would start construction of that project next year.

At this point I should like to compliment the Minister of Agriculture, because when he went out to the Acadia constituency during the federal campaign to speak at my home town of Morrin, and at the town of Hanna, he refused to take any part in that type of propaganda. He said that whether or not a Liberal was elected, he was afraid it would not be possible to start that program next year. He wanted them to elect a Liberal, but he wanted to make it clear that if they did he was not going to promise the government would commence work on the Red Deer project. While I appreciated his attitude at that time, it was not appreciated by the local Liberals.

In that area work has been done on small projects. Two dams were built on Berry creek and I believe a third is being built this year. Unfortunately, these projects depend entirely on the surface runoff to provide water

for irrigation purposes. Unfortunately, the dam which was built last year did not contain a single drop of water this year and consequently was of little use in taking care of the drought condition that developed. I am hoping that at the earliest opportunity the government will proceed with this project.

I quite realize that what the Minister of Agriculture states may be sound when he says that, first of all, the government has to complete the St. Mary river project and the dams on the Bow river. We have had his assurance —I hope I am correct in saying we have received his assurance—that when these projects are completed the government will then be prepared to proceed with the construction of the Red Deer diversion project. This can be regarded as a self-liquidating project. It would irrigate a half million acres and it would be possible to increase the population of that area by thirty thousand people. Services are already established. It would be a worth-while project and would relieve the government of a great deal of expense in the way of Prairie Farm Assistance Act payments, because those payments are not made on irrigated land.

I notice that when the last dam was built on Berry creek, instead of making provision for taking the water by ditches onto the land, provision was merely made for letting the water out into the creek, and that any lands to be irrigated from that project will apparently have to be irrigated through the sprinkler system. I believe the sprinkler system is becoming recognized as the most efficient form of irrigation, and that over a long period of time the actual cost of irrigating the land by this method may be just as cheap as, if not cheaper than, when it is done by ditches. But on the other hand the initial cost is heavy for the pumping equipment and the pipe. I understand from the local P.F.R.A. representative in Acadia that the federal government are making a grant of $350 toward the purchase of aluminum pipe. At a later time I hope the Minister of Agriculture will be able to say something on that matter, because there seems to be some uncertainty as to whether or not that money is actually being paid. I should like to have an assurance that it will be paid. Then I hope it may be possible to get the provincial government to match that payment, because if irrigation is to be done by the sprinkler system instead of by ditches there will be a great saving of money not only to the federal government but to the provincial government as well; and the provincial government may very well make a contribution toward the cost of the pipe in order to avoid paying for the cost of ditches.

There are other matters that I should like to discuss with respect to the Prairie Farm Assistance Act but, as the minister has already suggested, I think it would be better to leave matters of that kind until we come to the individual items. When we come to the item with regard to the P.F.A. Act, I hope the minister may be able to intimate briefly what form of amendment is to be brought down. I am not asking him to tell the house what the amendment is, but if he will tell us whether or not the amendment has to do with the establishment of the basic unit, it would be a guide to us in a discussion of that kind; because if an amendment is to be brought down to deal with the very thing we want to have done, it will not be necessary to take up the time of the house in discussing that point at this time. On the other hand, if the amendment that is to be brought down is not of that type, a number of us would like to make suggestions as to what type of amendment might be brought down.

Mr. Gardiner: In answer to that last question I might say that I thought I stated to the house in the last session that the bill which was prepared has to do entirely with that question, namely, the unit upon which payment is to be made. As far as I know, the bill will be brought down in the same form as that in which it was then drawn. I also think I said in the last session that I was quite prepared to submit that bill to the committee on agriculture so that it could be discussed there and so that all ideas could be brought forward at that time.

Mr. Hansell: I do not propose to make a speech, but I should like to ask the minister a question which I am not certain comes within any specific item under his estimates. Would he care to say whether he thinks the announcement made by the Minister of Finance last night with regard to the devaluation of our dollar will have any effect on the present agricultural agreements with the United Kingdom? I know that the minister is aware of the wizardry performed by these economic experts, which goes on behind the scenes. He expressed himself on that subject when he was in England some time ago. Some of us are not so conversant with that wizardry. I am quite certain that the farmers of this country are not crack economists, but I am sure they are concerned as to whether or not the dollar devaluation will affect those agreements. I know that some of those agreements are in force for only another year. But considering the little that we know about the operation of international exchange, I think that the committee should have an expression of opinion from the minister on this matter.

Mr. Gardiner: Just in a few words I would say that the agreements which we have with

Britain, including the wheat agreement, specify that we are to be paid in Canadian dollars. Britain will pay us in Canadian dollars and therefore the farmer will get the same number of dollars for his wheat and for his other products as he is getting. I think that has been stated by nearly all of the experts who are not employed by the government and who write the financial pages of the papers across the country. As far as I have been able to read, they have made a statement to that effect. There is a possibility that the action which we took may be of some benefit to the farmers on the long-time wheat agreement. I am not going to attempt to explain how much that will be or what it will be. I do not think anyone can at this moment tell what it will be or what the exact result of the action is going to be. All I can say is that I satisfied myself, before agreeing with what we were doing, that it was going to be in the interests of all of the people of Canada, including the farmer, to do that particular thing. I think that is all I care to say at the moment.

Mr. Herridge: I am going to speak briefly, but in view of the concern of my farmer constituents—fruit growers, poultry producers and others—about the insecurity of the future with regard to markets, I feel that I should make a few comments.

I realize that the Minister of Agriculture has one of the most responsible positions in Canada at this time. I am quite sure that any fair-minded person would sympathize with him in the problem he is facing, under present world conditions, in attempting to find outlets and markets for Canadian agricultural production. In reviewing the main estimates I regret to notice that those of such an important department show a reduction of $10,635,000. I think that is unfortunate when we consider the basic importance of the agricultural economy to the prosperity of Canada as a whole.

At the present time we hear a great deal about the arsenals of democracy. But I want to preface my few remarks by saying that finally, after all we have done and all that we can do in the nature of armed defence, in my opinion the basic arsenals of democracy rest in agriculture. The peace of the world and the security of the peoples of the world are to be found, finally and fundamentally, in well-fed, well-clothed, well-housed and contented people.

The agriculturist is faced with a dilemma at this time. To reduce production is unthinkable, in my opinion. Yet in some industries, particularly in the fruit industry, there is some thought of reducing production in certain varieties because of lost markets. In that connection I wish to quote briefly from our British Columbia farm paper *Country Life*. The article deals with the question of production and increase in production.

> How can a reconciliation of these factors be effected? The answer is not available but progress is being made towards working it out. Note this: "Less than ten per cent of the world's food production is exchanged today between country and country, representing only three-quarters of the volume before the war," so the FAO council reports. A large share of the present movement originates in North America. Naturally, variations in output in Canada and the United States have now a greater effect on supplies and prices in the producing countries and entail more serious consequences for consumers elsewhere than would be the case if the volume of international trade were greater and were more widely distributed between suppliers throughout the world.
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> At a time when hundreds of millions are still hungry, the inability of the world to devise policies which would enable the surplus-producing countries to avoid a deliberate curtailment of efficient production, should not be tolerated, the FAO council proclaims and every humanitarian will agree with it.

No question presents a greater problem to the minister and to all of us, sir, than the welfare of agriculture in Canada at this time. I hold in my hand a report of the department of agriculture of British Columbia for 1948. This report deals with the question of increasing world population in relation to a declining agricultural production. While this is a very complex question—I do not think the solution is going to be easy or simple—we must recognize certain principles in approaching it. I think the first one is this. We profess to the world that we are a Christian nation, a Christian democracy. In view of that, do we think that we can see starving millions of the world go without food because we will not produce it? No doubt the question will be faced from the ordinary commercial point of view. The minister and his officials will do what they can do to find markets through the regular channels; they will try to make sales agreements and so on. But if we are going to face this problem satisfactorily and find even a partial solution in the near future we have to do some unorthodox things. We have to convince the Canadian people that the stability and the prosperity of the Canadian nation depend on a stable agriculture. If that is going to be possible under present conditions all of the Canadian people must make some contribution to the stabilization of our agriculture and to the sale of our commodities. Therefore, Mr. Chairman, in a few words I suggest that in addition to finding a market through normal channels, commercial bulk sales agreements, or personal trading, we have got to be willing to supply these people who require food with food when they require it and where they require it, in other ways: in the first instance on long-term loans

at low interest and in some cases as straight gifts. I believe, Mr. Chairman, that if the position of Canadian agriculture was explained to the Canadian people, if the seriousness of the situation in general was explained to the Canadian people as a whole, they would understandingly assume the burden of extra taxation required to finance such a program. That is all I am going to say in that respect at this time.

Before proceeding to make a few remarks concerning my own constituency, I want to emphasize my complete agreement with the remarks made by the hon. member for Melfort when he was dealing with the necessity for a long-term over-all agricultural policy in Canada. I readily recognize that during the war period such a policy could not be developed under abnormal conditions, but I do think it is necessary, and it can only spring from and be the result of much closer agreement and much closer co-operation between the federal and provincial governments. We need a long-term marketing policy worked out between the government. We need a long-term production policy. In going around my own district and other districts I am amazed to see—and I give credit to the scientific staffs of our departments of agriculture for the excellent work they have done—that necessary information does not reach all the people settled on the land. I find people, after all these years of experience, planting the wrong varieties of trees. I find people clearing land which should have been left in timber. I find people attempting to produce crops which are unsuitable, and as a result they gain their experience through unnecessary cost and labour. Therefore, Mr. Speaker, I heartily support the hon. member for Melfort in his contention that we need a long-term over-all agricultural policy, devised as a result of joint and increasing co-operation between the federal and provincial governments.

I am going to deal with one or two things which are not strictly within the purview of the Minister of Agriculture. They come within his purview only in the sense that I think the minister is doing what he can as a member of the cabinet and within the cabinet to improve rural living conditions. We have to give every consideration to that if we are to keep our younger people on the land. I should like the Minister of Agriculture to use his influence toward doing all that is possible in the development of a trans-Canada highway, because if a trans-Canada highway is built across this country, and the provinces are assisted, not only will the food producers, the egg producers and others in many parts of this country have better roads to market their products, but the provinces will have more money to surface and improve feeder roads. That is an important item when it comes to moving soft fruits and other commodities of that type in the constituency which I have the honour to represent.

In my constituency there are a large number of people living in isolated areas who get very poor radio reception. In fact, the only programs most of them enjoy in the evenings are American programs. I trust that the minister will use his influence within the cabinet to see not only that the urban dweller gets good radio reception but that people in the backwoods, people in the country, have every opportunity to enjoy Canadian programs.

Farmers of my district are concerned about the grading of hay and the inspection of cereals imported particularly from Alberta. I think without question there have been some quantities of low-grade hay, poor hay and very questionable feed imported from Alberta. The farmers I represent are anxious for me to bring that to the attention of the minister. They are urging increased inspection facilities so far as hay and feed commodities are concerned.

In addition to that, we find some of our people living in the backwoods who are trying to build houses. Some of them are log cabins, others of frame construction. They are really living a pioneer life under present-day conditions. During the last year or so they have found it very difficult to obtain baling wire and barbed wire. It has been almost impossible to obtain barbed wire, fence staples and things of that type for some time. I do hope that the Minister of Agriculture will use his influence within the cabinet to make certain that the first people who receive these things will be the rural people who are developing the backwoods areas of this country and need them badly.

The people I represent are also interested in the operation of the Canadian farm loan board. I made a forty-minute speech on this question in the session before last but I wish to refer briefly to the subject again. Personally I am still of the opinion that the Canadian farm loan board does not serve the pioneer in the backwoods communities to quite the same extent as it serves the well-developed communities. In my opinion these people are somewhat of the impression that the backwoods farm, where the farmer is making possibly, in the early years, 75 per cent of his living from the sale of logs, poles, cordwood, is not as good a risk, not as good an investment, as possibly a well-developed farm which is paying far higher taxes. The type of man who goes to the

backwoods and develops a farm under pioneer conditions is often the best type of credit risk you can obtain in Canada. I hope the minister will use his influence to see that the Canadian farm loan board gives every consideration to those who are wanting some assistance in the pioneer districts of the west. The farmers I have the honour to represent believe, too, that interest rates on loans made through the Canadian farm loan board should in fairness be reduced.

Let me add, to what I have said, that our poultry producers are greatly concerned about the uncertainty of the future. Here is an illustration where there is great necessity for provincial and federal planning in production and marketing. Owing to the recent slump in poultry prices and the loss of poultry markets—and in this I am sure the hon. member for Fraser Valley will bear me out—in recent months hundreds of poultry producers have gone out of production.

The poultry industry is in a most unstable condition. It is not fair to permit people without knowledge and experience to enter into the production of poultry on a large scale. No doubt the minister is familiar with the conference which was held at Regina, upon which occasion poultrymen expressed their desire to have floor prices placed under eggs and poultry, according to the terms of the Agricultural Prices Support Act.

I offer these few remarks so that the matters I have mentioned may be placed before the minister, and in conclusion I express the hope that he will use his influence within the cabinet to remedy the conditions I have mentioned.

Mr. Cruickshank: Mr. Chairman, I shall not take much time—just about an hour and a half. I shall cover a number of subjects, but first of all I would say to the Minister of Justice, who is now in his seat, that I hope he takes my advice when he is considering the appointment of judges, or anyone else, in my riding in the future.

I shall now digress from fruit and eggs—

Mr. Sinclair: Bathing beauty judges?

Mr. Cruickshank: The hon. member for Coast-Capilano must know that I happen to have ability he does not have, in that I can judge anything satisfactorily.

The remarks I shall now direct to the Minister of Agriculture might have the support of the hon. member for Coast-Capilano. May I say to the minister that the minimum price at which we can produce filbert nuts in British Columbia is 25 cents a pound, and that at no profit to ourselves. Those nuts are being sold on the Winnipeg market today, and on European markets, at 15 cents a pound. The Americans have a protection to the extent of a duty of 5 cents, but we have no such protection, with the result that they are being imported into Canada.

I would ask the minister to consider this matter seriously, particularly in view of the fact that it requires from five to seven years to produce filbert nuts. Yet they can be brought to Canada to sell at 15 cents a pound. These nuts come from Sicily and Italy—and I do not know what either Sicily or Italy ever did for this country.

Mr. Sinclair: Liberal free trade.

Mr. Cruickshank: There are only two free traders here, the Minister of Agriculture and the hon. member for Fraser Valley. I would submit, particularly for the benefit of the hon. member for Winnipeg North Centre, and the junior member for Coast-Capilano, that to add insult to injury, a company from Hamilton is now installing a margarine factory in my riding. Surely there should be some law against that.

I speak seriously when I refer to the filbert nuts, because this is a matter which affects my district in which we have about 500 acres in production. There would be that much if my riding and New Westminster were taken together. We can produce figures to show our cost of production, which indicates that we cannot possibly produce them for less than 25 cents a pound. Yet they are being sold today at the low price I have mentioned. Further, I am informed by the association of growers that many of these imported filberts are diseased. We do not want the disease to affect our production.

I shall not discuss eggs or other matters, because I shall have time to do that in the future. The Ottawa *Journal* is a newspaper of note, and I have been interested to see that in one week it contained an editorial praising me, while in the next week it condemned me. So it must be a pretty good paper. It carried an editorial yesterday in which mention was made of a few of the scrub apples grown in Ontario. I want everyone to know for sure that we in British Columbia do not ship our scrub apples; we do not even make them into cider, as was mentioned in the editorial. We just send them out to the Pacific coast for pig feed.

Mr. Harris (Danforth): Before the hon. member leaves the matter of nuts, would he tell the committee the percentage of oil or fats in the nuts he proposes to grow in his community. No doubt the fat from the nuts to be produced there will find its way into the margarine factory he has mentioned. I imagine it would run about 30 or 40 per cent fat.

Mr. Cruickshank: I cannot answer the hon. member's question, but I do not wish to be turned aside into a discussion of margarine, because in most cases it is made out of whale oil and any other useless kind of oil one can get. However, I cannot answer the question which I have been asked.

While I do not wish to discuss dairy products at this time, I would ask the minister to give serious consideration to a floor price, or some protection for the filbert growers in British Columbia, not in my constituency only.

Mr. Jones: I should like to take some time to deal with a subject which I believe has been neglected, namely the fruit of the Okanagan valley. I know it has been suggested that we talk a good deal about this subject, but we do so because we are not satisfied that it has received the recognition it deserves throughout Canada.

First of all I would express my thanks, and those of the industry in general, to the Minister of Agriculture for producing and passing the marketing act at the last session. The growers have worked hard for some protection of that kind, and I can tell him truthfully that the reception given the news was as great as that given the news of a victory overseas during the war. It was only just that the government should take away the great element of gambling from the growing of fruit. They have had to gamble with the weather, with pests and other hazards of the fruit-growing industry, and I cannot see any reason why they should not be given all the protection the government can give them, particularly in the domestic market. This bill can be the source of that protection as far as the domestic market is concerned, and I fully believe that the minister has that in mind.

But we must consider other markets as well. A couple of weeks ago I was in England for the summer holidays and I went out of my way to find out the type of apple that was being offered for sale. I was amazed at the low-grade apples that were displayed in the stores of London, Manchester, Liverpool and other cities. These were apples which, I think the hon. member for Fraser Valley will readily admit, would be considered in British Columbia as culls of a very inferior type. They would not be allowed to be offered for sale in that province. I understand the statement has been made that the British people are getting all the apples they want, but I can state definitely that that statement is not correct. The apples they are getting are of a most inferior grade.

An hon. Member: Where are they from?

Mr. Jones: Most of them were domestic.

[Mr. Harris (Danforth).]

An hon. Member: Fraser Valley.

Mr. Jones: Most of the dealers and consumers that I spoke to told me that they regretted the Canadian apple was not available. They all felt that the best apple that had ever been offered on the British market was the Canadian apple. As far as they were concerned—I am referring now to the consumers and dealers, not to the government—they were willing to do anything reasonable in order to get the Canadian apple back again.

I should like to deal briefly with the domestic market. As is known, we in British Columbia have geared our production of fruit to the needs of the British market. We selected and pruned our trees in order to produce the varieties demanded by Great Britain. They do not care for a large apple or one that is too small, so we pruned our trees to produce an apple that suited the British market. But the British market has been lost and the apple we are producing is not suitable for United States or domestic consumption. Therefore, this apple has become a heavy member of the cull group, not because of quality or colour but simply because of size.

We contend that we have suffered a terrific loss through losing the British market for this particular variety of apple, but what alarms us most is the fact that dumping of apples and other fruit products by the United States and Europe is being permitted. I should like to read extracts from two resolutions which were passed this spring by the British Columbia Fruit Growers' Association. One reads as follows:

> Whereas the West Kootenay was put on a quota of 27 per cent for processing of Bing and Lambert cherries for the 1948 season, and
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> Whereas the growers of the district, covered by the Sunshine Bay local of this organization, would like to know definitely whether the above quota will be maintained for the future, and whether there is any definite hope of an increase—

In other words, the growers of cherries were placed on a quota. At the same convention, possibly the same day, the following resolution was passed:

> Whereas a processed cherry industry of considerable importance has been established in Canada during the past seven or eight years, and
>
> Whereas, growers have been encouraged to produce cherries suitable for this industry, and
>
> Whereas our market for these cherries is seriously threatened by the importation of similar cherries from Italy, packed in brine and subject only to a tariff of 17½ per cent ad valorem.

The implication is that the policy of the government is to allow cherries to be imported from Italy in direct competition with cherries that could be produced and processed in the Kootenay valley. I am going to suggest to the minister that consideration

should be given to this industry and if possible the dumping duty regulations should be enforced when necessary. I feel that as long as we can grow first-class fruit in the valley we should be given the preference in the domestic market. Another resolution was passed as follows:

Whereas for many years the government of Australia has imposed an embargo against the import of Canadian apples on the ground that fire blight might be carried to Australian orchards, and

Whereas horticulturists agree that it would be impossible to transmit fire blight through shipments of packed apples.

The resolution goes on to ask the government to take steps to have this embargo removed, and I support that resolution. I feel that we have been most generous with the Australian people. Last year and the year before we carried on certain trade with Australia. All the imports from Australia were agricultural products while all the exports from Canada were manufactured goods. I think a balance should be arrived at whereby a break could be given to the fruit growers of British Columbia.

At the same time the Australians have been sending onions into British Columbia duty free. A shipload of No. 1 hard arrived in Vancouver last year. Our first crop of onions are not No. 1 hard; they do not reach that grade until they are matured. Our onions had to go on the market in competition with the Australian No. 1 hard with the result that in the opening week our price had to be dropped from $60 per ton to $40 per ton, which the growers claim is $2.50 per ton less than the cost of production.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

Mr. Jones: Before the recess I was speaking of some of the difficulties encountered by the fruit and vegetable growers of Canada in regard to the importation of certain agricultural commodities, resulting in depressed prices generally. I realize that the government is faced with certain difficulties, and particularly the Department of Agriculture, in putting a stop to this condition. I have in mind an instance last year when United States carrots were imported into Canada long before ours were ready. They were brought in in such vast quantities that naturally our carrot growers were anxious to know if the market was going to be flooded. The minister co-operated to the fullest extent by placing a stop order on the importation of United States carrots as soon as ours were ready, but unfortunately the damage was caused by allowing importation in such vast quantities that they were put in cold storage throughout the dominion and kept there in order that they might be released week by week. That practice went on for several weeks.

As our young carrots came on the market, United States carrots stored prior to the stop order were used to depress the market. I realize the difficulty in meeting that situation. Possibly drastic action would have to be taken by allowing the importation of quantities sufficient only for the immediate needs of the market, and not for storage purposes.

The same is true of the importation of soft fruits, particularly in the province from which I come, where apricots, peaches, and other soft fruits are brought in from California and the state of Washington. They are more or less dumped in British Columbia because the best market for United States products, as for our own, is in their home country. After the home market is supplied, the residue is usually dumped in another country. That has been particularly true of peaches and apricots along the border between British Columbia and the state of Washington. We are very anxious to stop this practice, because we have an industry that is growing rapidly and is expanding far more than we thought was possible. I have figures for peaches, apricots, et cetera, but I will only mention peaches. In the year 1939 we had 503,000 packages and in the year 1947 we had close to 2,000,000. In the current year that amount will be greatly exceeded.

"Dumping" probably is not the correct word to use, but it is one that might be applied to the existing condition where fruit is allowed to enter the country at a lower price in competition with our own. Vegetables also enter in the same manner. I have a letter here from the British Columbia Pea Growers Limited. They are speaking not only on their own behalf but on behalf of the pea growers of Alberta, Ontario, and other parts of Canada where peas are grown. I will not read the whole letter, but in part they point out that:

. . . prices of peas have been arrived at in a very logical manner. They have been scaled to give a return to the farmer on a parity with what he could get growing wheat on the same land. Therefore they have tried to keep that price in order to induce the farmer to grow peas. There is a tie-up between the price of peas and the price of wheat. This year a serious threat to the Canadian dried pea business is posed by the surplus of peas in the United States.

The letter points out that there are many bags of peas left over from last year's crop, and there is a large increase in the crop of peas for the current year. The letter goes on to say:

The impact of this situation has been felt here where samples of last year's whole dried green peas

graded U.S. No. 1 are offered at $3.50 per cwt. f.o.b. country shipping point which is eastern Washington. Green split peas are similarly offered at $4.50 per cwt. This price is less than we must pay our growers to produce in competition with wheat offers. It is the opinion of this office that American dealers are sloughing last year's surplus at a sacrifice in preparation for a plugged market this fall.

The letter goes on to deal with the various prices quoted and also points out that the United States government has a parity price on peas of $3.50 per hundredweight. These peas have been offered f.o.b. Moscow, Idaho, at a price of $3.85 per hundredweight which is 35 cents extra for cleaning, packing and bringing the peas to market. Canadian producers of the same commodity claim that these services cannot be given for less than $1 per hundredweight. This letter is very fair, and goes on to point out:

We realize and were advised . . . that dumping is a very difficult fact to establish, even though we may be completely sure that such activity is occurring. We are advised, therefore, to plead our case on other grounds. These may be outlined as follows:

The government support price of wheat in Canada is in direct competition with our own price to growers for acreage; the government support price in the United States to peas has encouraged much speculation and overproduction in pea growing; and from what we gather in the newspapers and from the radio, the recent agreement of the American government to allow ECA funds to purchase Canadian wheat in the face of an American surplus of wheat puts us in a very difficult position, because by way of compensation for this to the Americans, surplus American fruits and vegetables are apparently to be allowed entry into Canada. You can readily see how disastrous this action is to us, who with no government supports or favours, must operate a business in what ultimately is government competition—both here and abroad. It is on the grounds of these latter-mentioned facts that we must base our plea to Ottawa to re-impose the emergency restrictions on the importation of American peas (and beans), which were removed about one year ago, and which have subsequently piled up surpluses of Canadian canning and edible peas.

Mr. Ferrie: How is it that they cannot produce these peas in British Columbia as cheaply as they can produce them in the United States?

Mr. Jones: I did not attempt to read the whole letter, but I tried to outline that the price in Canada is governed to a certain extent by the price the land would bring if it were producing wheat. Apparently it is good productive land, and in order to get the growers to plant peas they have to give a price equal to what would be received if the land were planted in wheat. I take it that is the reason the price is a little higher.

There is one other thing I should like to mention. I feel that we must do something about our export market. I know it is a sore subject, and a difficult one, but recently in England I noticed in all the larger towns that they have a great deal more South African canned products, not only canned fruit and vegetables but also canned fish, than when I was last there. We are losing out in the British market on a commodity in which we excel. Incidentally, everywhere I went people said to me, "What has happened to the Canadian salmon?" It is almost unobtainable in England. If steps are not taken soon to protect that market we are going to abdicate in favour of other members of the commonwealth who are, fortunately for them, in the sterling bloc.

The object of my brief talk is to impress upon the minister the vital need for restoring the overseas market for Canadian fruit and canned vegetables. I know there are difficulties as to currency, dollars, but I have noticed that other countries have overcome those difficulties either by a straight exchange of goods or by some other means. I understand there are several methods, and I would suggest that they be investigated and possibly given a trial to see if they will work out with the commodities I have mentioned. Failing that, I would certainly urge the minister to protect our domestic market with strong and forceful anti-dumping laws. It is our only sure market, and owing to the loss of our overseas market a healthy, prosperous domestic market is a must, if we are going to keep a large body of people operating successfully in the fruit and vegetable industries, not only in British Columbia but in the whole of Canada.

Mr. Diefenbaker: Mr. Chairman, I shall not be in the chamber when some of these estimates with particular reference to agriculture will be dealt with in detail. With your leave, sir, and the leave of the committee, there are two matters that I should like to bring to the attention of the minister at this time. One has to do with a situation that has arisen in the province of Saskatchewan and to a lesser degree in Alberta.

While crops have been generally good, there are large areas in which there has been, in whole or in part, a complete failure. This afternoon the minister dealt at some length with his intention to introduce amendments in connection with the Prairie Farm Assistance Act. He set forth in detail the operation of the Prairie Farm Assistance Act and the Prairie Farm Rehabilitation Act, joining them together as two measures designed to relieve and assist the people of the prairie provinces against recurrent drought and its effects.

The first matter to which I wish to direct the attention of the minister is—it applies in part to my own constituency and to others in southwestern Saskatchewan where there has been a total or almost total failure of the crops—that there are two or three areas in which the farmers have gone into cattle and

hog production on a large scale. They find now that the outlook for fodder in the months ahead is extremely dismal.

Over the years since 1941 provision has been made for the granting of freight assistance on western feed grains being exported to eastern Canada. A number of farmers have communicated with me, one as late as today, asking whether or not the government intends to do something towards providing free freight on fodder for hogs and cattle brought into these areas. I have before me a letter received today in which the situation is set forth in some detail. After referring to the events of the last few years, and the shipping of fodder to eastern Canada, this man says the elevator agent at his point tells him that the price the wheat board will charge for barley will be $1.17 per bushel in the elevator. He says:

> I have about sixty hogs, so I will have to have about a thousand bushels of barley between now and next fall. If I have to pay $1.17 per bushel plus freight for the feed, I will have to dispose of these hogs.

Has consideration been given to the granting of free freight or freight assistance on fodder brought into these areas? I think there is a general demand for it. Secondly, could the minister direct the attention of the wheat board to the need for keeping a supply of barley on hand in the various elevators in these areas in order to meet the local situation, where barley and oats are, in fact, being produced though not in the quantities required in those areas?

The other matter with which I wish to deal is one that has been dealt with on many occasions in the past. At this time I want to add a word of congratulation to the minister on what is being done in connection with the exploratory work on the south Saskatchewan dam and irrigation project. It is not everything the people want but, at the same time, it is a step in the right direction. When this matter was before the house last year, the minister said it would be impossible to decide on the location of that dam or to proceed with the work until such time as the consent of the three provinces had been secured. The work done on this project in the last few months has been rather extensive. When the report was filed last year it was found that the benefits that would flow from this project were as follows:

(1) Irrigation of some 500,000 acres in the province of Saskatchewan. (2) Restoration of lake levels and, in particular, restoration of the level of Last Mountain lake, to which I shall not refer in detail this evening. (3) A water supply for Regina and Moose Jaw.

During the events of recent months one of the matters discussed in Saskatchewan, particularly in the cities of Regina and Moose Jaw, was the need of something being done about ensuring these two urban centres of the necessary supply of water throughout the years that lie ahead. The development of power was another matter, but I am not going to refer to that because it has been dealt with before.

This project has caught the imagination of the people in our province and they are looking forward to more extensive developments taking place in this connection within the next year. The increase in the amount of the vote that is being requested indicates that some further development is to take place. Would the minister let the house and the country know what he can add to what he said last April regarding this matter? Has any finality been achieved in determining the location of this dam? When the location is determined, have the necessary representations been made to the several provinces and their consent secured so that the project may be undertaken?

The committee on water has been set up. Is the minister now able to say that, as a result of the work that has been done and is to be done, the project is a feasible one and that, in so far as the supply of water is concerned for the Qu'Appelle valley, particularly the supply for human consumption in Regina and Moose Jaw, that supply may be soon achieved? Will they be proceeding with the work without unnecessary delay? This is one project toward which the people of our province are looking forward and I know they await from the minister a statement which will indicate that the project will not be long delayed. In particular, they want to be assured that the urban centres to which I have referred will be assured of a water supply and that the level of Last Mountain lake will be restored, because the preservation of this lake depends on the work being undertaken at an early date.

Mr. Gardiner: I hope the hon. member's optimism will be borne out in the discussions in committee. He suggests that he will be away for three or four days. These items that are spoken of are the last items in my estimates. I hope they will all be through when he comes back three or four days from now.

Mr. Diefenbaker: That is why I am giving the minister the opportunity now to give the information I have requested.

Mr. Gardiner: Sitting where he does in the house, the hon. member probably has more justification for that optimism than I could possibly have. With that explanation, I shall

be pleased to give what information I can with regard to the matter; but, with regard to the south Saskatchewan river project, I would suggest that the questions asked have to do with next year's estimates. The estimates we are dealing with at the present time are the estimates for the financial year 1949-50. As is understood by hon. members who were here in the first session of this year, we had advanced to us sufficient to carry us through the first six months. In other words, half of this vote is already spent, and any part of the other half that is going to be spent will be largely spent within the next two months because out in our country it will freeze up two months hence. We are pretty well on with our expenditures of the sum of money that is herein involved, as has been suggested for expenditure on the south Saskatchewan river project. We have placed in these estimates, and we have spent a considerable part of it already, $2 million for the purpose of determining finally whether this project is a feasible one or not. I am sure the hon. member will agree with me that until we get the report on that expenditure, which is being prepared at the present time, it will be impossible for me to give reasons for any opinion I may hold with regard to the future development of the project. It will be necessary also for me to discuss with the government the possibility of getting a vote next year to proceed farther than we have gone before I can make any statement to the committee on that matter. So I would suggest to the hon. member that when we get down to that item—I hope it will be through before he comes back, but there is some reason for thinking it may not be—I will give whatever information I can, but I doubt very much if it will be much more than I have just now given, unless it be that I am able to account to the house for the expenditures which have been made up to the present time in connection with operations this year. I agree with the hon. member that those operations have been somewhat extensive, particularly in his own constituency, but that is only because the site of the dam is located in his constituency.

Mr. Diefenbaker: No mistake was made.

Mr. Gardiner: If it were in my constituency, there would be just as much spent.

Then on the other question having to do, not with prairie farm assistance direct but with the shipment of grain into the drought areas, I should just like to remove the implication in the one suggestion that there is any relationship whatsoever between the freight rate paid on grain out of western Canada into the eastern provinces and out of western Canada into British Columbia, and any freight which might be paid by this government or any other government on assistance given because of drought in western Canada. As a matter of fact, my understanding of the position is that we have a special rate on grain being shipped out of western Canada eastward and westward if it is going out of Canada. In other words, we have a long-standing arrangement—I am speaking now from memory and may not be exactly correct—which I think is based in part at least upon the Crowsnest pass agreement, which gives extremely low rates on the shipment of grain in Canada, both east and west, if it is on its way out of Canada.

Those low rates on that grain going out of Canada created a condition under which it was costing more for farmers in the maritime provinces and in British Columbia to get feed grain to be used on their own farms, if it was produced on the prairies, than it would cost the Chinese to get grain to feed the chickens over in China to produce eggs to sell in competition with eggs produced in British Columbia, and more than it costs the people in Denmark, Britain or elsewhere over in Europe to get feed grain with which to feed livestock to produce livestock products which would be sold in competition with those which are produced in the eastern part of Canada.

Under those circumstances, until such time as there is a consideration of the equalization of the freight rates on grain and other commodities being shipped from western Canada to other parts of Canada and vice versa, and until that matter has been determined, an appeal was made that the federal government should give some assistance toward paying the freight on the grain that is moving into those other parts of Canada. That, I repeat, is a reason and a condition that has no association whatsoever with the fact that we sometimes have drought in western Canada.

Coming back to the question of what should be done under the circumstances, since we have drought and since assistance must be given by someone in order to see to it that grain is available for the feeding of livestock in the drought areas of the west, I may say that that has always been considered to be a provincial problem. The basis upon which it has been dealt with in the past is that, when those conditions have arisen, the province has gone to the railways and has made an arrangement under which the grain has been shipped into those areas at lower rates. The basis on which the railways assisted in years gone by was this. Where the farmer paid all of the cost of the grain which was shipped to him, he paid the freight too. But where the grain was given to the farmer because of the

conditions which made it absolutely impossible for him to pay, then the governments and the railways shared the cost of shipping that grain in. In other words, as I remember it, the railway reduced their rate down to fifty per cent of the actual cost, the province took twenty-five per cent of the cost, and the dominion took twenty-five per cent. Some arrangement similar to that was made down until the time when prairie farm assistance was brought in. Since then the federal government has taken the position that, by taking care of relief problems in areas where there have been crop failures, our share of the responsibility has been fairly well taken care of by the payments that we make in connection with prairie farm assistance. During these last few years they have totalled sums ranging up to $14 million, $15 million, and $16 million; and this year, I understand, they will amount to a sum about equal to the highest of those figures I mentioned. That being the case, we have not considered that there was any problem in the west that necessitated our taking any direct action in connection with the matter of freight.

Last week Mr. Nollet, the minister of agriculture in Saskatchewan, was in Ottawa. Prior to that, just a few days before he came, he had written to me making representations somewhat similar to those that have just been made by the hon. member for Lake Centre, indicating that resolutions to that effect had been passed by some farm organizations in the areas where the drought had taken place, and suggesting that freight ought to be paid. No request has been made by Mr. Nollet that we should pay all the freight. He has suggested that probably we ought to give some assistance toward the payment of the freight.

On the other question of maintaining the grain in the area, that has always been taken care of by direct request of the provincial governments to the wheat board, and the wheat board and the provincial governments working in co-operation have arranged that grains which are necessary in order to maintain livestock in any given area, provided that the grain is there, is retained in that area sufficiently long to permit all farmers to go to the elevators for the grain in them, or to go to a neighbouring farmer, get the grain, and take it to their farms. As I say, a certain length of time is given, sometimes two months, sometimes three months in advance, and it is indicated that no grain will be shipped out of the elevators in those areas during that period. The farmers are notified that they should go there within that period and get their grain. That of course avoids, to the extent that grain is available, the necessity of having any freight whatsoever paid on grain that is being moved about.

Mr. Diefenbaker: Has that been done this year?

Mr. Gardiner: I imagine so. It is not our responsibility to do it. Every time that the provinces have asked us to have it done it has been done, and I would assume that the provincial government has undertaken its responsibility in that respect. There is no reason why it should not, and if they have there is not any doubt that it is being done. If it has not been done, then I am quite sure that the discussion which has been raised here tonight, if it is reported tomorrow, will bring about action which will see that it is done. From the discussion I had with Mr. Nollet last week I was under the impression that that kind of thing had been done—at least he did not suggest to me that there was anything further for us to do about it in order to see that it was done. Therefore I presume it has been done. The only question that he had in his mind was as to whether we did not think we had some obligation in the matter of paying freight, and he based it on the fact that we were paying freight on grain going east and west. I explained to him, as I have explained to the committee, that we did not think there was any connection between the two things, and therefore no responsibility passed on that line. I also referred to the arrangement which had always been made by the railways, and he explained to me that that seemed to be impossible at the present time. The railways do not acknowledge that there is any way in which they can deal with the situation. In addition to that, they have also denied the farmers the special rates which they had been allowing on seed grain. On the railways in years gone by there was a very special rate, a low rate, on grain which was being shipped from one place to another in order to provide seed. It was based on the idea, the better the seed the more tonnage the railways would have to ship; but this year for some reason or other—I presume it is associated with the investigations which have been made into freight rates—the railways have cut out all the special rates. They have cut out the special rates on taking livestock to fairs. Everything of that nature has been struck out. Therefore the farmers are having a little more difficulty in getting arrangements made. It is on that ground that Mr. Nollet suggested that probably the federal government ought to do something. I have asked him to write to me, giving me a detailed statement of the position that they find themselves in. I have suggested to him that after I receive that detailed statement I shall be quite prepared to place the matter before the government; and, when I do receive it, it will be placed before the government.

Mr. Studer: It is not my intention this evening to prolong the discussion on the estimates; but since I am one of those who have come from Saskatchewan, one of the new members, as we are called, perhaps it would not be amiss to let the committee know that fourteen of us came back from Saskatchewan this year, and we think that if we kept quiet all during the session hon. members might not be aware of the fact.

Since it is customary for one who speaks for the first time to extend congratulations, perhaps it would not be out of order if I went along with the others. Most of those who have spoken so far have extended congratulations to the mover and seconder of the address in reply to the speech from the throne. I can assure them in all truthfulness, as one of the new members, that the speeches were two of the best I have ever heard in this house, and I can also say that they were two of the best speeches that I ever expect to hear.

Compliments have been paid in considerable number to prominent people, including our Prime Minister. It was suggested that this one or that one was responsible for the winning of the past election. We should like to agree with all that has been said. Remarks have also been made to the effect that agriculture is the backbone of a nation and that the economy of a nation is founded on agriculture, or we can call it food. I believe it is. I believe that the general economy of the world is founded on food. I so believe for this reason, that man can get along without anything else except food. It is the one essential of life. I believe that the economy is based on food. If that is true, and if the welfare of the people of Canada, as well as that of other countries, is based on the production of food, and if the welfare and prosperity of the farmers are based on what has been produced in the way of food, and on export and its prices, then we should compliment one man who has been outstanding in connection with the prosperity of Canada, namely, the present Minister of Agriculture. If prosperity has been in evidence as a result of agriculture, he is one of the men who have brought this about. In saying that, I do not wish to detract from what has been said in all kindness—and I agree with it—of anyone else, or of any other member of the government. These remarks apply not only to the Minister of Agriculture but also to his assistant, the deputy minister, and to his other assistants. If we continue to have prosperity in Canada it will be due to the prosperity of agriculture. When the farmer is prosperous everyone is prosperous. That has been true up to date. I do not think this government can ever originate or bring into operation any plans which will make the farmers too prosperous. I do not believe that that has ever existed on earth. The only danger to this country and to every other country arises when agriculture is not prosperous, because the whole economy of everybody in this country is built on a prosperous agriculture. We should keep that in mind. There is no danger of agriculture ever becoming too prosperous. The more prosperous it becomes the more prosperous everyone else in this country becomes.

I should now like to turn to the estimates, if I may. I just wish to deal with one item. I hesitate to throw a discordant note into what has been said so far this session. Much has been said about improving conditions, and this is as it should be. Even the opposition has been in general agreement that the country has not done too badly up to now, that the government has not done too badly, and that there is some measure of prosperity in the country. There is some evidence of international wheat agreements which will result in security, and there is some stability in regard to prices. We are all interested in increasing agricultural prices and making them permanent. However, in some parts of the country, I regret to say, the people are still suffering. The hon. member for Lake Centre dealt with it just a moment ago, as did the Minister of Agriculture this afternoon. I believe he said that in some large areas in Saskatchewan the situation is as bad as it was in 1937. I am one of those who believe that when one member of the body suffers the entire body suffers. Not all the communities in Canada are prosperous. We want to endeavour to bring all of them along, at least in some degree.

Incidentally, I believe the expression "crop failure" was coined in the constituency of Maple Creek. I believe that was one of the first places where people suffered such a thing, if I remember correctly. I have been there for thirty-three years and I cannot give any good reason why I am still there, because on an average in the last five years I have not had five bushels to the acre. But I believe there is good reason for saying that I along with others, have stayed there because we are firmly convinced that over a period of time we will create some stability in that country. We know that we will, and we are not prepared to throw up our hands and to leave the country, and thus follow the line of least resistance. If we were to leave the country it would be detrimental to its further development.

We are not prepared to do that. We believe in that area of the west, and as time goes on and as problems increase in this world, if one looks at the map of this country and of

the United States and determines what areas are suitable for agriculture, he must conclude that those areas on the face of the map of Canada are pitifully small in relation to world development of the future and to the production of foodstuffs for people throughout the world, to which Canada can make so great a contribution.

Therefore those of us out in those areas feel that if you will just bear with us and continue assistance to us over a period of years—and it will not be too long—it will turn out all right. After all, it has been only ten years, and there have been many countries on the North American continent which have suffered for more years than that before they became self-sustaining. We believe that if you will bear with us we will make ourselves self-sustaining, and make as great a contribution to the future welfare of Canada as will any other area of this country.

For a few moments I shall refer to crop failure, to which reference has been made today. In that connection we would suggest that consideration be given to continued assistance for another short period of time, until we can make ourselves self-sustaining. We should have the advantage of P.F.A.A. assistance to make our conditions livable, and make it tolerable for the people in this country, who have suffered through these long years in trying to make their contribution to Canada. We should make it possible for those people to realise their ambitions, to stay in that area and build their homes.

Some of us will move, because that is a country of vast extent. The constituency of Maple Creek has, I believe, 265 polls in it. It extends about 180 miles along the Montana border, and about 80 miles along the Alberta border. People will be moving out of that area in sufficient numbers when the incentive is provided for them, or when they have better possibilities to earn a living elsewhere.

As we know, the dominion government has no land available on which they can settle. It might not be agreeable to the other provinces to move these people to irrigated land in other provinces. I think it is the intention of the government—certainly I hope it is—to make it possible for those people to obtain land the government will have in irrigated areas, and in whatever province they may be, so that when they have to move they will move to a place not under the same conditions, thus they would have a better prospect of making a living.

In the meantime those people are there. I am one who believes that to make that area productive we have to increase the methods we have been following. Farmers must have more land in arid areas than they need in those parts of the country where they have an annual rainfall of from twenty to thirty inches. There may be some people willing to move to those irrigated areas which are provided. Then we will follow a system of double summer-fallowing of our land and summer fallowing of our water and summer fallowing of grass. We have to summerfallow our water out in the west. You will build a dam through P.F.R.A. which will hold the spring runoff, and so that you may have sufficient water to irrigate. Last spring there was very little runoff, so that we have had to build other dams to hold two years' supply, so that in a dry year we will have sufficient water to irrigate the land.

If we get moisture we will make a contribution to this country—and I hope in the not distant future. We will not be standing here asking for assistance for the dried-out areas of Saskatchewan in the Maple Creek area.

Meantime, farmers have been getting along with prairie farm assistance. It was never intended from any other motive or for any other reason than to keep the people off relief, as was pointed out this afternoon by the Minister of Agriculture. However, in the minds of the people of Saskatchewan the dominion government is the senior government, and the one responsible for a greater share in the interests of those people. Some think that the payments to farmers under the Prairie Farm Assistance Act should be increased, and we are repeating that to the government. We believe that, in those townships which have suffered crop failure two years or more consecutively, a supplementary bonus should be paid for the coming year. Owing to the decreased value of the dollar below what it was in 1938, when the act was brought into force, they will be able to pay the same amount at the present time, with the increased amount of the supplementary payment, that was paid when the act was brought into force in 1938.

To illustrate what would be involved: During the ten-year period from 1938 to 1948 there were 1,810 townships in the three western provinces which yielded less than four bushels to the acre. That would be an average of 181 townships for each year for ten years. If these figures are correct, and the same happens in the next ten years, it means that not more than 181 townships in any year in that ten years would come under this program.

So I would ask for consideration by the government in giving assistance to these people during these most difficult times. They are interested in their spring operations. Sometimes people think that, when we speak of townships with five bushels or less on an

average, the yield in that township is five bushels, or the equivalent of $10. But only too often there is no yield whatsoever in the township, and consequently no revenue.

I would suggest to the government, therefore, that they give consideration to this, so that it may give some benefit and some relief. This will not be a gift, because I know it will be repaid a hundredfold. These thoughts, Mr. Chairman, I humbly offer for your consideration.

Mr. Argue: In rising to speak this evening I wish to express my pleasure in seeing the Minister of Agriculture once again restored to health. So far as we could tell this afternoon, he had never been ill at all. Apparently, however, our impression would be wrong, because I noticed in the press that shortly after the election he had gone for a ride in the Saskatchewan air ambulance plane. I am sure it speaks well for that service when a man of the standing of the Minister of Agriculture is prepared to take a chance in what many people call a C.C.F. plane.

I can agree with much of what has been said by the hon. member for Maple Creek. It is true that conditions of farming in that area are very risky. Crop failures occur frequently. However, it is still an area which can be a permanent agricultural area, and it could give a satisfactory standard of living to the people who reside in that country if certain agricultural policies were followed by the government.

I believe one of the most important problems with which we should deal at the present time is that of soil conservation and land utilization. I am glad to see that some steps are to be taken to protect our forests.

I should like also to see legislation advanced to protect land under cultivation. Dr. J. J. Booth of the Department of Agriculture, writing in a booklet called "Summary of report of special committee on land use", had this to say in respect to land in the eastern provinces:

> In reviewing the past, an examination of census statistics in the use of land in the older provinces reveals that four million acres, at one time classified as improved land, have been lost. These census figures do not take into account abandoned farms, and an additional area, which might well total several million acres, has been lost through complete farm abandonment.
>
> It is thought that of major and primary concern is that conservation policies should aim at protecting the productivity of land in active use and increasing its efficiency.

There is land which, because of topography and nearness to water, could best be used under irrigation; but irrigating two or three million acres more land in western Canada than is irrigated today is solving only one problem of land utilization. It will not stand us in very good stead if we merely increase our irrigated acreage considerably and then lose from production, by bad cultural practices, much of the land that we are now farming.

I suggest that the Prairie Farm Rehabilitation Act should be extended. More money should be made available for the taking of certain land out of the production of wheat and putting it back into grass. Money should be available to farmers in certain areas who are to contour farm and regrass slopes that have been badly eroded. Money should be used to buy farms from some farmers whose unit is uneconomic. The policy in the past has been to fence in a large acreage as a community pasture and then try to obtain some suitable farm land to be exchanged for the land being put into community pasture. Sufficient money should be made available to purchase outright from farmers the land placed in community pastures. With the help of money received from the sale of submarginal or inferior land a farmer could buy better land and be able in the future to look after himself and his family more in keeping with an adequate Canadian standard of living.

At the present time the Prairie Farm Rehabilitation Act pays a farmer $125 for the construction of a dugout but in our particular district the farmer himself must pay the contractor $300. If the farmer has a crop failure during a dry year, and often that is the only time he can construct a dugout, he may find that he has not the additional $175 needed to pay for the dugout. I suggest to the minister that this allowance should be greatly increased, at least doubled, so that the farmers can afford to build dugouts and conserve the spring runoff.

I was interested to hear the Minister of Agriculture say this afternoon that the main reason the government had not undertaken a crop insurance scheme was that the federal government did not have sufficient constitutional power. I do agree however that an insurance scheme against crop failure, as we understand ordinary insurance schemes, is not practical for western Canada, at least for many parts, since in a high risk area premiums would be entirely too high. But I do not think the minister should use the constitutional argument as an excuse for not expanding and improving the Prairie Farm Assistance Act.

I was interested to hear the minister state that the payments under the Prairie Farm Assistance Act were probably just about enough to cover a farmer's grocery bill for the past summer. A farmer would not need to

have a very large family to find that it would not go even as far as that. I wonder how the minister thinks a farmer can obtain money with which to meet his other expenses if the payments under the act are sufficient only to meet his grocery bill.

Mr. Gardiner: I said store bills.

Mr. Argue: For groceries and clothing. That is in keeping with some of the advertisements put out by the Liberal party during the election campaign, which said that the amount was sufficient for the grocery bill and the clothing bill, and to some extent would pay the other farm expenses.

Mr. Ferrie: Why does not the hon. member keep within the bounds of truth?

Mr. Argue: I would ask the hon. member to withdraw that remark.

Mr. Ferrie: I do not have to withdraw that. The hon. gentleman made a statement.

Some hon. Members: Order.

The Deputy Chairman: The hon. member for Assiniboia has requested the hon. member for Mackenzie to withdraw a certain remark he has just made. I am sure the hon. member for Mackenzie does not want to offend the hon. member for Assiniboia in any way and therefore I think the hon. member for Mackenzie is ready to reconsider the remark he has made.

An hon. Member: We hope.

Mr. Ferrie: Mr. Chairman, do I have to withdraw that remark if I can prove that the hon. member is wrong?

Mr. Argue: I have asked the hon. member to withdraw his remark, but apparently he does not think he should. I realize he is a new member. I know something of the reputation he has earned for himself in certain parts of the country, and, knowing that, I shall not press the matter any further. I just want to say—

Mr. Ferrie: Mr. Chairman—

Mr. Argue: I have the floor.

The Deputy Chairman: I would add to the remark I have made by saying that I do not think the hon. member for Mackenzie intended to impute any motive to the hon. member for Assiniboia. He merely questioned the accuracy of the statement made by the hon. member for Assiniboia. At a later stage the hon. member for Mackenzie will perhaps seek to prove his assertion.

Mr. Argue: Thank you, Mr. Chairman. I am sure if I have made an incorrect statement about Liberal advertising the minister will correct me, and I shall be willing to stand corrected. I was saying that the present payments under the Prairie Farm Assistance Act, agreeing with the minister, are certainly no more than enough to pay the farmer's store bill. The farmer's store bill is only a very small part of the expenses he must incur in farming each year. He must pay his taxes. If he has a complete crop failure he must buy seed. He must buy fuel, and pay for repairs. He must carry on all his farming operations for at least another twelve months, and certainly $200, $300, $400, or a maximum of $500, as the case may be, is not nearly sufficient for the farmer to do that.

I am glad to learn that amendments to the act are being brought in at this session. I understood from the minister this afternoon that the basis for payment, the township, would be reduced. I welcome that announcement, but certainly even that change is not nearly sufficient. This group would like to see the payments made on a more equitable basis. We would like to see them paid on an individual basis. I should also like to see the residence qualifications, if I may term them that, changed to some extent. At present to obtain payment a farmer must reside on his farm from the first of May until the first of November. A number of my friends and neighbours had crop failures this year. Some of them had very small farms, and some quite large farms. They did not want to stay at home on the farms all winter with very little income, so they have moved to the cities to obtain employment. A number of them feel that unless there is an increase in the amount of precipitation before next spring they are not going to return to the farms. If they do not go back to the farms, then they cannot qualify for payments under the Prairie Farm Assistance Act. I think it is certainly not a wise thing to ask a farmer to remain on his farm two or three months after his crop is lost and twiddle his thumbs merely to obtain the bonus.

As I said before, we would like to see the money paid under the Prairie Farm Assistance Act greatly increased. I think the maximum payment of $2.50 an acre is far too small and should be increased to at least $6 an acre. If it were increased to $6 an acre that would be somewhat less than the selling price of four bushels of wheat per acre. Surely no one would suggest that farmers would stay on their land merely to obtain the bonus even if that bonus were increased to the sum of $6 per acre.

It has been stated that economic conditions in western Canada are pretty good. It is true that the prices of non-farm products are reasonably satisfactory, but it must be borne in mind that the farmer's costs are also high. We should keep in mind that, with the

farmer's costs high, it is much more difficult for a farmer to operate when he has a crop failure than if the government had maintained some control over his costs, some control over the cost of his machinery, oil, and so forth.

The announcement yesterday of the devaluation of the Canadian dollar will increase the farmer's costs to some extent. The devaluation of the British pound announced on Sunday is going to make it more difficult in the future for us to hold the British market. Prices of our products are going to go up to the people of Great Britain. We are concerned lest our markets in Great Britain continue to fall. We all know that the quantities stipulated in the food contracts that have been signed for this year are very much less than they were a few years ago. I have them here, but I will not tire the house by quoting the figures. The contracts have dropped in some instances to less than fifty per cent of the quantity a few years ago.

In western Canada there is a trend away from the production of coarse grains and livestock to the production of wheat. That is all right if we have an assured market for the quantities of wheat that we are likely to produce in the years ahead. But from articles that we read from day to day we know that the world's production of wheat is increasing rapidly. According to a Canadian Press dispatch from Ottawa on July 8, world wheat stocks are now almost as high as they were back in 1930. We have an initial price continuing until July 31 of next year of $1.75 a bushel basis No. 1 northern, Fort William, but the government has not announced what policy it will follow after that date.

It is true that we have a guaranteed market under the international wheat agreement which our group supported. Canada's share in the agreement at the time it was signed was 203,000,000 bushels of wheat per year. I wonder if the Minister of Agriculture would tell us at some time during the discussion of these estimates whether or not all the countries have entered into that agreement so that we can in fact expect an export market thereunder of 203,000,000 bushels.

I noticed a few weeks ago that all the importing countries had not yet signed, and therefore we are not assured of a market for even 203,000,000 bushels of wheat per year. That quantity of wheat per year, if the international wheat contract operates to its fullest extent, is still perhaps 100,000,000 bushels of wheat per year short of the quantity necessary to absorb all our surplus wheat.

The government may very naturally congratulate themselves, and we congratulate them as well, on their election to office with so large a majority. Naturally the government and the Liberal party are pleased that their support in western Canada has been increased. I do not know all the reasons for that increase in support. The farmers I talked to around the first of June felt that one of the reasons they could safely support the government was that the government, beginning August 1, was removing oats and barley from the grain exchange, and the wheat board would be the sole marketing agency for those grains. On June 1, 1949, there was a Canadian Press statement reading as follows:

> The Canadian Press Wednesday learned that the complete buying and selling of western oats and barley will be taken over by the wheat board, leaving the grain exchange only the marketing of rye and flaxseed.
>
> An earlier announcement from the trade department merely stated that the board would undertake the marketing of coarse grains and did not indicate the extent.
>
> The Canadian Press later learned that the marketing of coarse grains, similar to wheat, would be removed from the grain exchange.

In all the reports of the speeches of the Minister of Agriculture (Mr. Gardiner), from that day until the end of the election, I did not see any denial of the report that the wheat board was going to handle oats and barley in exactly the same way it has been handling wheat. We were therefore surprised indeed on August 1 to find that the wheat board was buying coarse grains at local elevator points and using the facilities of the grain exchange to market the grain.

We in this group, and we think the organized farmers of western Canada agree with us, believe that the grain exchange should be closed permanently and that speculation and fluctuating prices should be removed in the sale of grain. Next year the government should change its policy in respect to the initial price for oats and barley. At our local elevator point, the barley sold nets the farmer 67⅞ cents, that is for No. 2 feed barley. The price of oats is something over 40 cents per bushel. The return on wheat at that local point is $1.58½ a bushel. The return on a bushel of wheat therefore is more than twice as much as for barley and almost four times as much as for oats. If these prices continue, the farmers will be forced to abandon the seeding of coarse grains next spring, and I think that would have serious consequences.

Mixed farming is the only method by which agriculture can be continued on a sound basis. After looking at the wheat markets of the world today, I think all of us agree we cannot be certain of an adequate market. I would therefore urge upon the government the need to increase the initial price for oats to 75 cents and barley to $1 per bushel at local points. Then farmers will continue to seed

some coarse grains and by that means maintain agriculture on a more sound basis.

Mr. Stewart (Yorkton): Mr. Chairman, on behalf of the Liberals from Saskatchewan, I wish to congratulate you on your elevation to your present position. We from western Canada are not used to this eastern atmosphere; the air is heavy, so it will take us some time to get used to it. You have already had one demonstration in the house and I am afraid, Mr. Chairman, while I am congratulating you on your elevation to your position, before the Saskatchewan delegation is finished with our friends over there to the left you will have plenty of time to exercise that discretion which I hear you possess in such large measure.

This house has been regaled for two days by the members from Saskatchewan in the C.C.F. party. We in Saskatchewan feel some responsibility for that party because it started in our province. I believe I speak for the fourteen Liberal members from Saskatchewan when I say that, since it started there, it is up to us to eradicate it from that province. I think we can assure you that three years hence that job will be done.

Our friends have a right to speak in this house, however. They have exercised that right for two days continuously. Yesterday we had a demonstration when they introduced an amendment concerning old age pensions, not with any hope of securing old age pensions but simply for the purpose of political propaganda.

Mr. Knowles: Order; there are two points of order, Mr. Chairman.

The Deputy Chairman: Order. I am afraid I must point out to the hon. gentleman that we are now dealing wth the Department of Agriculture.

Mr. Stewart (Yorkton): The point of order is well taken and my point has also been well taken.

We are fortunate in having as Minister of Agriculture a man from an agricultural province. Some bright newspaperman who works for the Ottawa *Journal* inserted an item in Saturday's paper to the effect that the Minister of Agriculture and I had almost engaged in fisticuffs twenty years ago and that we were sitting in approximately the same relative positions in this house as we occupied in the Saskatchewan legislature. We can scrap fairly quickly and get over our difficulties just as quickly. The Liberal party in this dominion has proven it is broad enough to take in anybody in Canada.

Mr. Smith (Calgary West): You said it, brother.

Mr. Stewart (Yorkton): I had not noticed that my hon. friend the member for Lake Centre was not in the house. I regret that he is not here. I believe that eventually hon. gentlemen of the Conservative party are going to find out that he was elected by half the Liberal votes in his constituency and that he will be taken into the Liberal party.

An hon. Member: Taken in is right.

The Deputy Chairman: I am sorry to interrupt the hon. member, but if we are to make any progress I would ask him to keep to the item.

Mr. Stewart (Yorkton): I am coming down to the agricultural estimates. Certain remarks have been made in connection with those estimates, Mr. Chairman, by the members of the C.C.F. They have criticized the administration of the department. Most of us have read the pamphlets they brought in, even the *Christian Science Monitor*. I think they have brought in every pamphlet except Eaton's catalogue and the *Western Producer*. The Minister of Agriculture and the efficient officers in his department have read most of these treatises.

The group for whom I am speaking represents thirteen rural constituencies in the province of Saskatchewan. I believe my hon. friends in the C.C.F. have one practical farmer in the person of the hon. member for Melfort (Mr. Wright). He is quite free to join us in consultation on agricultural matters.

In connection with the estimates for this department, there are certain things that bother the western farmer, whether he is from Saskatchewan, Alberta, or Manitoba. I realize that the Minister of Agriculture is not in charge of the selling of our grain but that the Minister of Trade and Commerce (Mr. Howe) is charged with that duty.

I trust that when I question the minister, even though he may to a certain extent have to usurp some of the functions of the Minister of Trade and Commerce, he will try to give us some information that will be useful to our constituents. For instance, one thing that is bothering the western farmer is the matter of the surplus grain that has been accumulated in the United States. Those of us who are familiar with grain handling realize that, by a system of subsidization which is followed in the United States, and by increasing the acreage the last few years until last year, the United States has gradually accumulated a surplus of wheat. We also realize that England has been purchasing our western grain with United States funds.

We as members from Saskatchewan have discussed the matter, and if it will aid the

minister at all I may say that we feel that a strong protest should be made to the representatives of the United States government, suggesting and requesting that on no account shall their excess of grain be declared surplus and Great Britain be required to buy that grain with Marshall dollars. We are naturally concerned about that matter. I do not know whether the minister wishes to make a statement about it or not. That I believe is the feeling of the Saskatchewan Liberals and I believe it will be the feeling of those here representing a farming constituency. It will be noticed that in the United States congress and senate it has been advocated that wheat be declared a surplus. We representing the western farmers should make it known to the United States that we are strongly opposed to that action being taken, and that we do not think it is fair in view of what has happened between our respective countries and under the United Nations.

Last night we listened to the announcement made by the Minister of Finance. Whether we belong to the C.C.F. or to the Liberal party, we are all here together representing our constituencies. I think we are concerned rather deeply not only over the effect of the devaluation of the British pounds—over which, of course, we have no control—but also as to the effect of the devaluation of the Canadian dollar by ten per cent. Our cattle now have access to the United States at a reduced duty. In view of the fact that we now receive ten per cent more for our cattle as a result of this drop of ten per cent in our money, I would ask the minister whether in his opinion the farmers of western Canada and of eastern Canada who are exporting cattle to the United States can logically expect to receive roughly ten per cent more for their cattle shipped over to the United States. I believe that would be correct. I think the same thing will apply to alfalfa seed which is sent from northern Saskatchewan, practically all of which goes to the United States, and also to the shipment of our seed oats particularly, of which we send a great quantity to the United States.

Our friends in the C.C.F. do not like to point out the benefits of what the government does, but I think they should be optimistic enough to realize that those are effects that we can expect—ten per cent more for our farmers in connection with those products. The situation in the British market is one of concern. But again I say that we have nothing whatever to do or say about the devaluation of the pound. That was purely a matter for Great Britain herself to settle, and she has settled it. Naturally it will take more pounds to pay for Canadian farm products. But the whole object of the devaluation

[Mr. Stewart (Yorkton).]

—and again I do not think we should be unduly pessimistic—is that England expects to get on her trading feet, and figures that this is the way to do it. After all, I say again to my friends in the C.C.F. that they should be optimistic because in England there is a Labour government which at one time they held in high esteem. They have done that in England, and while it may temporarily hurt some of our exports, I believe the minister has stated that we have been able to export everything we have in the line of farm products except apples and an excess of wheat. That is the situation so far. I do not know whether the minister will want to make a statement on what effect, in his opinion, this action will have on our bacon market, but it would be of interest to us. I would ask him what, in his opinion will be the effect on our wheat agreement with England next year. As I understand it, it will mean ten per cent more for the western farmers. Is that correct, in the opinion of the minister?

Mr. Gardiner: I think the present position is, as I said this afternoon, that our wheat agreement provides that wheat be paid for in Canadian dollars. Therefore the price of the 1949 crop will be as has been arranged under the agreement, and the farmer will get the same as he would have got had there been no change in Britain. But on the long-time agreement which starts with the 1950 crop, the arrangement made in that agreement is that payment is to be made in terms of U.S.A. dollars as they were on the day that the agreement was signed, which means that we shall be paid for our wheat on the basis of $1.80 in United States funds; and the reduction of ten per cent which has been brought in by this government will mean an increase of approximately eighteen cents above that, which puts our wheat for the term of the contract in this position, provided that the present thirty per cent devaluation continues in Britain and the ten per cent devaluation continues in Canada, that we will get by what we did approximately eighteen cents more, which would put our wheat back close to $2 in Canadian dollars instead of $1.80, which the farmer would have received had exchange remained at par.

Mr. Larson: I understood some time ago that the matter of marketing wheat under the Canadian wheat board had been fairly well settled. Many of the members of the committee know of the struggle that the farmer and the farm organizations went through to get their wheat marketing away from the open exchange. The reason this was done I will leave to your imagination, although I can explain it. But whenever we have had

a great deal of wheat on hand we seemed to have low prices. Finally, with the concurrence of the province, the federal government established the Canadian wheat board. I think the committee is with me in congratulating the Minister of Agriculture on the matter of marketing wheat. Just after that wheat board came into existence we began to get floods of propaganda to the effect that the farmer had lost some $400 million. Since that time participation payments have been made to the extent of nearly $400 million. I noted here this afternoon that one of the hon. members claimed that we have lost $525 million. I almost hope that is right. The Minister of Agriculture somehow or other produced the $400 million. I wonder if somehow he now can produce the other $125 million. I think we have been fairly well dealt with.

Mr. Byrne: I should like to associate myself with all those who have extended congratulations to all the ministers and their associates. I am certainly wholeheartedly in agreement with everything that was said, and I do not wish to take up any more of the time of the committee except to congratulate the minister under questioning on his recovery. I am certainly glad that he is back with us today.

The constituency of Kootenay East, which I represent, is an extensive one and its industries include farming, mining, logging and small businesses. Although it is not a good political position to take, it has been customary for me to say exactly what I think; and on this occasion I intend to do so. I have been elected from a diversified constituency. You will find in that fact conclusive proof that I am a Liberal and have been elected on the same basis as a great number of hon. members here also who are prepared to look after the best interests of all in our society.

With regard to the farmer, the hon. member for Yale and the hon. member for Kootenay West outlined the difficulties which are prevalent in the fruit-growing areas. There is a large fruit-growing area in the western portion of my riding. These hon. members must have made an extensive study into the difficulties that prevail among the fruit growers. I should like to say further that I hope the government will continue in their policy of expenditures looking for further markets, markets which are certainly essential to the welfare of the fruit-growing areas.

It has been said by the hon. member for Yale that the domestic market is one on which we are prone to rely. I feel quite certain that when the estimates for some of the other departments come up we shall fully realize that this government is making forward plans which will ensure the development of Canada in general and British Columbia in particular, thereby providing employment for a greater number of people in that area. There is one small matter which is of concern to the Creston valley, to which I refer. During the war years and shortly after the war a great number of people migrated to the balmy Creston valley. Probably they had not heard the speech of the hon. member for Vancouver South but they must have heard a similar one because there is an excessive number of people there at the present time. In order to sustain the people who are there I should like to suggest that in the estimates the government make every effort to see that irrigation is provided for some of the arable lands in that area. By doing so they would ensure an efficient industry being established there. In my riding milk is 22 cents a quart. I am sure that a market could be provided in Kimberley, which is a mining area, and also in Trail, which has a large industrial plant. If some of these fertile fields were irrigated it would help to solve the problem of a slightly overpopulated district.

We have one problem which I think is unique in my riding and it concerns the farmers in the great Columbia valley. The Columbia valley is some two hundred miles long. I might add that my riding is another fifty to seventy-five miles longer than that. It runs approximately close to three hundred miles in a northern and southern direction. The farmers in the northernmost portion of my riding are in the position of having a very small market for their produce, unless they are able to journey to Calgary, a city with which you are all familiar. It is a logical market for their produce. They also desire to purchase in the city of Calgary equipment, supplies and so on for their farms. However, they are in this unique position. Although they are only one hundred and sixty-three miles from Calgary they find it necessary to travel four hundred and seventy-five miles to get there. They have to travel from the northern to the southern part of the riding and then westward to the Crowsnest pass and up to Calgary to take the smallest amount of produce to market. That is a condition that I heard of only in the last year, although it has prevailed for a considerable length of time. The reason for that is that they do not have highways connecting the Columbia valley with Calgary and other large centres in Alberta, but they have two national parks between them and this large city. Because they are not allowed to drive even the smallest truck carrying the smallest amount of produce through those parks into Calgary, they find it necessary to travel these four hundred and

seventy-five miles. I ask the minister to use his good offices and make some effort to alleviate this irregularity which is prevalent in my riding. Since I represent a large group in a large riding, and since I speak for them, you will hear more from me.

Mr. Bater: Mr. Chairman, we shall now leave British Columbia and come back to Saskatchewan. In doing so may I say that I happen to be one of the fourteen Liberal members who come from the province of Saskatchewan. I started on my way on June 27 last.

At the outset, sir, I should like to concur with other hon. members in congratulating the Prime Minister on his return to this house as Prime Minister of this great dominion. Along with other hon. members I should also like to congratulate the mover and seconder of the address in reply to the speech from the throne. Last, but far from least, may I say I am pleased to see that we have with us in the house tonight one who just a few weeks ago we were afraid might not be with us on this occasion. I am referring to the one who is in charge of the department which we are discussing tonight, namely, the Minister of Agriculture.

Since we are dealing with agriculture estimates, Mr. Chairman, I shall try to stay as close to that subject as I possibly can. I shall try to the best of my ability to stick to the point in my few remarks.

After listening to the many speakers today we have all come to the conclusion that agriculture still has many problems, hazards and pests. We have heard of the new pest from Manitoba, the aphid. We know we have drought in southwestern Saskatchewan. We had the grasshopper. Then we have heard of a new one, one that I had never heard of before, which is attacking the nut growers of British Columbia. They too have their problems. But their problem is one which has been mentioned once or twice before in this house. I refer to tariffs. In connection with agriculture I have heard some say that tariffs should be reduced or taken off. Others have said that they should be increased. I hold in my hand a letter which I received from the secretary of a rural municipality in Saskatchewan, which brings to our attention that there are other pests in Saskatchewan at this time. This one happens to be weeds. In this letter this municipality advises me that during this season they have used upwards of a hundred and thirty thousand pounds of atlacide in the attempted destruction of toadflax. They, too, think they should have assistance.

Something was said about the loss to western agriculture on the price of wheat. I question whether we have lost anything. Let me repeat what I said last summer on the hustings, and I say it now in all sincerity, that I do not think there is any government in any country of the world—and I am taking in a lot of territory—which has endeavoured during the pre-war, the war and post-war periods to do more for the stability of agriculture than has the government of this country. When we take into account subsequent payments for our wheat, in face of the fact that we have sold all our wheat, I think it is possible we will not have lost one cent.

I wonder if we are altogether fair when we make comparisons with our neighbour to the south in the matter of grain prices, especially wheat prices. I believe I am correct when I say that our neighbour consumes about 80 per cent of the wheat she grows, whereas we export 80 per cent of our wheat. Our problem, and the problem of this government, or any government which may hold office in Canada, has been and will be the great problem of marketing our grain. I believe this government will see to it that we get every cent that it is humanly possible for us to get in the sale of our wheat.

Something has been said about prairie farm assistance, and the minister has said that amendments will be brought down. I have every reason to believe and hope that in the amendments consideration will be given to bringing under this scheme more farmers who have less than eight bushels to the acre, and less who have more than eight bushels to the acre.

I shall conclude my few remarks by saying that I believe this department, under the direction of the Minister of Agriculture and his deputy minister, will keep its sights high and see to it that measures are brought down from time to time, possibly in this very session, which will bring about a greater measure of stability for Canadian agriculture.

Mr. Smith (Calgary West): Mr. Chairman, I understand you are keeping us very close to the item under discussion this evening. Therefore I must justify what I intend to say, because I intend to speak about higher education. I say that with some confidence, because the minister and I graduated from the same school of higher education. He may disclose that in what he does and says now; but I am frank to admit I was a faker there —and some of you think I am now.

In those days in the place where we went the courses were limited under which one might graduate. There was natural science—and that was the one I chose because, upon inquiry, I found that was the easiest way to become a bachelor of arts—there were classics, moderns, mathematics and philosophy. That about ran the gamut of those

subjects with the aid of which one could acquire this so-called higher education. While the minister and I attended the same school, I graduated by trickery—I got a medal for it, as a matter of fact. The minister, of course, was the sterling character that he is now, and did not take advantage of things as I did—for instance, crawling up a rain pipe to steal the examination papers in botany before I wrote them. And that was my last connection with botany; I do not mind telling you that.

I find now, however, that higher education has gone much further—and I use the expression "higher education" as being synonymous with university education. Now we find that degrees are given to women. The minute they learn that when they quit eating starches, fats and sugars they lose weight, that gives them a degree. I think, too, that we should give a special degree to those who discover that you can have a proper beefsteak only when it is broiled over charcoal. But that would be a new departure in higher education.

The thing that disturbs me at the present time, and which compels me to speak now, is that I now see a new departure in higher education, namely the game of football.

An hon. Member: The Calgary Stampeders.

Mr. Smith (Calgary West): I hear an echo from my left, from a supporter of mine and of the Calgary Stampeders. For several days I have sat here listening to congratulations, in the hope that no one would say what I am now going to say, and that is to congratulate and to welcome the more than ninety new members who have come to the House of Commons. I say that for a number of reasons, but principally because we welcome them to this so-called finest club in Canada. My old friend Carl Stewart from Yorkton, who spoke a moment ago, has now arrived in a club where he is absolutely welcome, and there are no conditions or anything of that kind to detract from full membership in this organization. So I am sure they will all be happy here.

As I said a moment ago, the new course of football has now been introduced in higher education. I say that because I come from a place called Calgary, where we have the best football club in Canada—and even if the Secretary of State for External Affairs had been here, I would assert that as a simple fact. We have the Grey Cup. I do not know of any better proof than winning the Grey Cup.

But returning to my subject of higher education: we had three very good lads out there named Pullar, Tomlinson and Wilmot, who formed a good part of our line. They were Calgary born, and splendid lads. But in this higher education McGill stole the three of them from us two days before the season opened—and we had only two days to replace them.

You will realize, Mr. Chairman, that I am addressing my remarks to the first item in this department. Under the agricultural estimates we find a vote for research, which brings me back, right in the groove, so to speak, and in line with what the minister has in mind. I have seen a lot of football players; I saw some in Ottawa last Saturday. It appeared to me that they could not get any higher education in football; they are all quite clever. But while I was watching them it occurred to me that higher education may be obtained in various ways. Having seen them I thought the best method would be to bore a hole through their heads. That would not hurt them very much and you could then pour in the higher education through the hole, and God knows what might happen after that.

I know that there are many alumni of the old university of McGill here and I want to compliment them upon being the great protectors of amateurism. But the fact is that they stole three players from one club because they were able to pay them more money than we can. That is how we are being protected in this sport business. Then they came along and took another one who was the best kicker I ever saw. He was already getting higher education because he belonged to the university of Alberta.

I congratulate the alumni of McGill university on having raised money to make higher education available to poor boys who are not able to pay their way through college or whose parents are not able to pay for them. But the father of this boy could buy out the whole side of this House of Commons and have plenty of money left to live on the rest of his days. But they were willing to pay more for higher education than we can pay for football players. Perhaps that is a new idea. Perhaps it is an excellent thing. Dear old McGill! May their colours some day rise from the bottom of the heap to the top. I ask you to pass your judgment on these raiders of professional football clubs.

How do I attach all this to the agricultural estimates? Your guess will be just as good as mine. I notice in the estimates that a lot of money is to be spent for research. We all live from the soil; that is the basis of everything we have and do. I think if the minister were really put to it he could justify it. I have never known a man who could justify things as he can. I know that if he were really put to it he could find something in his estimates which would provide a new scheme instead of having to bore holes through their thick skulls. I know that he and his research staff

could find a better method of finding out whether they can kick a football farther than anybody else.

I pay that compliment to his natural ability which has been so much enhanced by the fact that he has sat where he is for so long. I spoke to him a moment ago and asked if he did not think we were getting a little beyond things. He replied, "I think probably we are." I did not say it then, but I say now that the minister is a past master *par excellence* at that sort of thing.

Now that I have finished my speech on the agricultural estimates I hope that the people of McGill university will not send out some low-flying aeroplanes to spread insecticides which will do almost anything but help these lads pass their examinations. It must be remembered that our club is well represented in this House of Commons. I am vice-president and the Prime Minister and the leader of the opposition are both honorary vice-presidents. Last year I gave them definite assurance of that in the form of a cleverly drawn certificate with a little red ribbon on the corner and all that sort of thing. That was drawn by my stenographer because I was not capable of doing it. I turn now to the agricultural estimates and in that respect I am going to take a great deal of your time in saying exactly nothing.

Mr. Ross (Souris): Now that our dollar has been devaluated I wonder if the minister could state what our quota of cattle is to the United States and what was the total exported last year by producers in Canada?

Mr. Gardiner: There is no quota on our cattle going into the United States. An arrangement was made prior to the war under which we were permitted to export only so many cattle. All countries in the world were permitted to export only so many cattle to the United States. During the war that regulation was dropped, but it was understood that after the war it might be reinstated. Foot and mouth disease has developed in Mexico since the war, with the result that no cattle from that country are permitted to enter the United States. No restriction was placed upon cattle from Canada to the United States. My memory is that last year somewhere between 450,000 and 500,000 cattle went from this country to the United States.

Mr. Smith (Calgary West): Did they pay any extra duty?

Mr. Gardiner: They paid the reduced duty.

Mr. Smith (Calgary West): Did they all pay it? My memory is that it was a cent and a half for the first 200,000.

[Mr. Smith (Calgary West).]

Mr. Gardiner: That would have applied if the quota regulations had been enforced, but my information is that the quota was not enforced last year.

Item agreed to.

Administration service—
2. Publicity and extension division, $242,760.

Mr. Wright: The details show that $52,000 is for acquisition of equipment and $25,000 for the printing of agricultural bulletins. This branch was set up to disseminate information with regard to various agricultural activities and I am wondering why $52,000 should be needed for the acquisition of equipment and only $25,000 for the printing and distribution of this material.

Mr. Gardiner: I understand that the extra $25,000 is required owing to the fact that during the war the printing and distribution of this material was greatly curtailed. Now that there is a greater demand we are trying to meet it by printing these publications for distribution across the country.

Mr. Wright: What was the equipment that was required to the value of $52,000?

Mr. Gardiner: Motion picture equipment amounting to about $10,000 was acquired.

Item agreed to.

Administration service—
3. Advisory committee on agricultural services, $5,000.

Mr. Ross (Souris): Who constitute the personnel of this committee and what are their duties?

Mr. Gardiner: Two committees in connection with agriculture are more or less of an advisory nature. The first is composed of the ministers of agriculture of the different provinces of Canada. There have been some changes compared with the list I have here, but whoever happen to be the ministers of agriculture in the various provinces comprise the advisory committee on agricultural services. The chairman is the Minister of Agriculture for Canada. That is the committee itself. The advisory committee is composed of the deputy ministers and the deans of the different agricultural colleges of Canada.

Mr. Ferguson: In view of the comparison of prices given today by the hon. member for Souris, and in view of the statement made that 400,000 head of Canadian cattle were exported last year to the United States, does the minister not think that there is not only a nigger in the woodpile but also a wolf in sheep's clothing as far as the poor people of Canada are concerned? The consumers of

Canada are paying these high prices, and apparently it is a fact that it is not the farmer who is making all this money, but somebody else. The prices board could well afford to investigate the situation to see where the robbery is occurring. A prices commission sat here last year. When one hears the Canadian retail price for meat, and the fact that we shipped 400,000 head of cattle to the United States and paid a slight duty on them, and when one learns that the United States consumer buys these meat products at a lower price than the Canadian consumer pays, then it is almost time that the government set up a fact-finding committee, including representatives of agriculture, to investigate the exorbitant high cost of living in Canada today.

Mr. Gardiner: This is not just the item upon which that matter should be discussed, but I think that I probably should correct the impression that may have been created. Speaking this afternoon someone—I think from the C.C.F. group—suggested that we should have some proof that an undertaking given to this house by the previous Prime Minister and myself is being carried out. That undertaking was that over a certain period of time after the war, and after prices for farm products had gone down in the United States, the farmers of Canada would still receive something more than the farmers in the United States were receiving. The reason for that was, as has been stated by one of the members on this side of the house, I think it was the member for The Battlefords, that we succeeded in stabilizing farm prices in Canada. Everyone agrees that we did not permit farm prices to go up as high as they went in the United States for a few months following the removal of their controls. During that period many members on the other side of the house suggested that we were robbing the farmers of this country because we did not permit these prices to rise.

During that period, it is true, the Prime Minister of that day, and I as Minister of Agriculture, said that for some time after prices in the United States did come down to our levels an effort would be made to maintain our prices at a stable level in order that some of these returns might go back to the farmers. I am not sure that the hon. member has selected a good item when he takes beef, because the hon. member for Souris did not read all the items in the article he referred to this afternoon. I happened to have the article in my pocket when he was reading it, and I took it out of my pocket and checked it rather carefully. In so far as pork products are concerned, it is true that prices in Canada are somewhat higher than they are in the United States. For example, it is stated in this article from the Winnipeg *Free Press* that sugar-cured sliced rindless side bacon at St. Paul is 43 to 49 cents a pound whereas in Winnipeg it is 47 cents a half pound. In other words, the price of bacon in Winnipeg is just about double what it is in St. Paul.

It is stated in this article that the claim is made by the packers of Canada that what you are talking about when you talk about Canadian bacon is quite a different product from what you are talking about when you speak of bacon in St. Paul. That may be true, but they go on to say that some people like United States bacon just as well as Canadian bacon.

On the other hand, taking spring lamb, it is 59 cents in St. Paul and 59 cents in Winnipeg. If you take a pot roast of beef, commercial grade, it is 39 cents in St. Paul and 38 cents in Winnipeg. There is not very much difference there. A T-bone steak, commercial grade, is 59 cents in St. Paul and 57 cents in Winnipeg. In so far as beef products are concerned, they appear to be almost the same, or possibly slightly lower in Canada than they are in the United States.

Mr. Ferguson: Have you considered the value of the United States dollar, as admitted by this government? It is higher.

Mr. Gardiner: The two currencies were supposed to be at par at that time.

Mr. Ferguson: No matter what they were supposed to be, the fact was that they were not.

Mr. Gardiner: I must say, in the light of what my hon. friend has said, that I used that same argument myself in another place the other day, and I was informed that ninety per cent of the transactions between Canada and the United States are on the official level, which is par. I presume that transactions such as those between cattle dealers on this side of the line and cattle dealers on the other side have been on the official basis. When I go to the United States and spend some money and try to pass a Canadian dollar it is true they cut me down to 90 cents right now, and have done so in the past; but in so far as official transactions are concerned they are carried on on the official basis, which is par. Therefore the prices at St. Paul are comparable.

I say as far as beef is concerned there is not any great difference. I should like to say, in reply to those who represent constituencies that are largely composed of persons who are consumers and not producers, that we thought two years ago, and we still think, that as

regards some of these farm products it has been justifiable to maintain prices in Canada at a slightly higher level for a period of time than the level to which they have gone down in the United States, as a result of the fact that United States prices were allowed to go up as high as they did and our prices were held down for the few months during which that condition prevailed.

Item agreed to.

Administration service—
4. Contributions to commonwealth bureaux, $86,139.

Mr. Wright: Where are these bureaux situated to which we make this contribution, and does Canada supply any of the personnel?

Mr. Gardiner: The commonwealth agricultural bureau is a bureau that compiles information from different agricultural departments all over the world that may be of use to people in other parts of the commonwealth. A bureau has been conducted in London during the past few years. One of those bureaux was transferred from London to Ottawa during the war period. My understanding is that it is to remain here. These bureaux were set up for the purpose of gathering information from all parts of the empire and sending it to anyone who may require it in order to form a judgment as to whether that particular part of the empire should proceed in the same way. The only way that information could be made available was to have it accumulated at one place and have each section pay a proportion of the cost. This item covers Canada's share.

Mr. Wright: How are the personnel for these bureaux selected? Are they selected from the various countries?

Mr. Gardiner: The scientific services in the different countries select the men who are to serve on these bureaux.

Item agreed to.

Science service—
5. Science service administration, $680,070.

Mr. Harkness: The major portion of this item amounting to over $500,000 seems to be for the acquisition and construction of buildings. It is so large a sum, I wonder whether the minister would explain what buildings this item covers?

Mr. Gardiner: The reason for putting it in this item is that it is concerned with a number of divisions, that is production, experimental farms as well as some of the others. There is no one item under which we could put these buildings, so we have placed them in the item covering scientific services. Really, they are concerned with scientific services.

[Mr. Gardiner.]

One building for which this money is being provided is being opened at Lethbridge the day after tomorrow. As my hon. friend will know, that building has to do with the study of certain diseases in livestock. For a long time it was located at a different point outside the city of Lethbridge and some distance from the experimental farm. It has now been located closer to the experimental farm. A year ago the money was provided for the land on which to construct this building. It has been constructed and is to be officially opened the day after tomorrow.

Another of these buildings is located at Sault Ste. Marie in the northern part of the province of Ontario. It is connected with the department of entomology and is concerned with the fighting of forest pests. We have those buildings established at different places across Canada and the money is for them.

Mr. Harkness: I understand that this item covers a series of buildings. Could the minister tell us how many?

Mr. Gardiner: Those I have named are the major ones. I believe a start has been made on a building at London, but it is not completed. I believe those are the three buildings involved.

Mr. Harkness: Would the minister tell me what amount was spent on the buildings at Lethbridge to which he just referred?

Mr. Gardiner: I am sorry, but the information we have here shows a lump sum for the three buildings. I have not a breakdown of the expenditure, but I can get that information for the hon. member at a later date. I can bring it in when my estimates are again before the committee.

Mr. Herridge: Would the minister tell the house what progress has been made in the investigation into "little cherry" disease? What staff is employed now on that work?

Mr. Gardiner: Would the hon. member return to that matter when we reach the item concerning botany? In that way, the information can be given in the order in which we have it here.

Mr. Stewart (Winnipeg North): Does the item discussed a few moments ago cover the acquisition of the land?

Mr. Gardiner: No. As I said a while ago, the amount for acquiring the land was obtained in a previous estimate about a year ago. After the land was obtained, this amount was needed for the construction of the building.

Item agreed to.

Science service—

6. Animal and poultry pathology, $353,515.

Mr. Pearkes: Early this summer the animal pathological laboratory which had been located at the experimental station at Saanichton was transferred to the university of British Columbia in Vancouver. For a great many years that animal pathological laboratory under the direction of Dr. Bruce had served the needs of the dairy and poultry farmers on the southern portion of Vancouver island. Since its transfer to Vancouver, these people have been deprived of those services. I realize that these laboratories serve a double purpose, one of research and one of servicing the general needs of the farmers in the area.

It is likely that the research functions can be carried out to better advantage at the university of British Columbia. This means, however, that the poultry and dairy farmers of Vancouver island are left without the services to which they have been accustomed for a great many years. There is a shortage of civilian practitioners on Vancouver island and such as there are are located mainly in the cities where they look after pets. The people in the rural areas are deprived of the services of a qualified veterinarian.

I realize there will be difficulties in returning that laboratory to Saanichton. It might not be desirable, but I would ask the department to have Dr. Bruce, who has retired, replaced by a qualified veterinary officer so that the services which were carried out by this laboratory for so many years might be continued. Would that be possible?

Mr. Gardiner: I shall certainly have the matter investigated to ascertain whether that is possible. I was just asking whether the station at Saanichton had been entirely closed. I am given to understand that such is not the case and some work is being carried on at that point. Some work has to be centralized on the mainland at the university, but that would be there in any case. This work will be continued at that point. I would think there is some justification for suggesting there should be some services available on the island and I shall look into the suggestion.

Mr. Cruickshank: I should like to speak on this item for a moment because we have fought for many years to have that station moved from Saanichton to the university of British Columbia or the Agassiz experimental farm. One of our biggest assets, particularly in acquiring United States funds, is the shipping of purebred cattle to the United States. All the tests for those cattle had to go over to Saanichton. Any one farm in the Fraser valley has more cattle on it than the whole of Vancouver island. The logical place for these tests to be made was at the university, if not right in the centre of the Fraser valley. After all the years we fought to get the station moved, if the minister or his department attempts to move it back to a point where there are only half a dozen cattle and a few chickens raised by the retired people of Saanichton, there will be a battle.

Item agreed to.

Science service—

8. Botany and plant pathology, $1,154,500.

Mr. Gardiner: The question asked was as to what the position is in connection with little cherry disease of cherry trees. Little cherry disease is caused by a virus continuously spread in the Kootenay and Arrow lake district as revealed by a survey conducted by dominion and provincial officials. The insertion of buds from diseased cherry trees into peach, prune, apricot, choke cherry and wild cherry and of buds of peach, prune and choke cherry growing near diseased cherry trees into healthy trees and the artificial pollination of healthy cherry trees with pollen from diseased trees, all failed to produce any clear-cut symptom the following year as would be expected if the little cherry disease had been transmitted. A tree-to-tree survey was conducted in the Okanagan valley by provincial officials with the assistance of the staff of the Summerland laboratory of plant pathology, which covered all the southern part up to and including Kelowna. No tree with definite symptoms of little cherry disease was found. One tree in the Oliver district was removed on suspicion.

All that indicates is that investigations are going on and the results of those investigations are as they are shown here. In answer to the question, all I can say is that the work is still going on.

Item agreed to.

Science service—

10. Agricultural entomology, including a payment of $3,500 to the commonwealth biological control laboratory, Belleville, Ontario, for special services, $1,321,926.

Mr. Ross (Souris): I should like to ask the minister what his entomologists have found with regard to the probable outbreak of grasshoppers in each of the three prairie provinces in 1950, and what success they have had in controlling the outbreaks this summer. Many farmers are greatly concerned about what the situation will be next year.

Mr. Gardiner: The practical battle against grasshoppers on the ground is carried on by the provincial governments. My information is that during this last summer they have been fairly successful in combating the grasshopper plague. I presume that is because

the means of doing it now is much more highly developed and they have more successful means of doing it than they had a few years ago. This department is making a survey to determine what is likely to be the position next year, but that survey is not yet completed. There is therefore no information that I can give out which would be of any great help at the present time. It may be that before the session is over, and maybe before we are through with these estimates, we shall have a report which I could give to the committee. But at the moment it does not exist.

Mr. Ross (Souris): I hope the minister will give us that information. His officials now make surveys in the different districts, and it would be beneficial if, when he has the report, he would at some time give the committee the benefit of the surveys.

Item agreed to.

Science service—
11. Forest entomology, $1,087,490.

Mr. Herridge: What work is undertaken under this item of forest entomology, and where are investigations being carried out in Canada at the present time?

Mr. Gardiner: Some forest entomology work is being done in every province in Canada; but of course the greater part of the work is done where the greater forests are. That is in British Columbia and Ontario, and in some of the eastern provinces. Of course, where disease is threatening, a considerable part of the work is done there. But in direct answer to the question I would say that work is being carried on in every province in Canada.

Mr. Hatfield: Why should it come under the Department of Agriculture?

Mr. Gardiner: It is a matter of research, and a considerable part of the entomological work must be done in the Department of Agriculture. I do not say that the forestry must be done there, but the same experts who deal with insects that are pests to crops are experts in the handling of insects which are pests to trees. As a matter of fact, in most countries forestry is considered as a part of agriculture. The production of trees is considered to be agriculture just as much as the production of any other crop that grows out of the ground. As to entomology, in the department here the practice is followed of maintaining the staffs to do this work, both for forestry and for agricultural products, under the operation of this department.

Item agreed to.

[Mr. Gardiner.]

Science service—
12. Plant protection, $639,320.

Mr. Wright: Has the department any information with regard to the rather severe infestation of a weavil which has destroyed the small sweet clover and alfalfa seedlings in the northern part of the three prairie provinces? There has been a rather serious outbreak in the last year or two. I was wondering if the department had any information on the matter or if they had any methods of control worked out with regard to it.

Mr. Gardiner: The proper place to have asked that question was, of course, on the last item, which dealt with entomology. This particular item is to prevent the bringing in of commodities in such a way as to bring along with them diseases of one kind or another. The question asked comes under the other item. I do not think we have any information with regard to the matter, but I am pleased to be informed that there is some of that infestation in the area mentioned, and we shall see that someone looks into it.

Mr. Hansell: I should like to make a suggestion to the minister. I think most of us know that the government is desirous of protecting our orchards and our plants by destroying the diseases that may come into Canada from the United States by way of the transportation of certain fruits. I am just wondering whether the customs authorities at the border points where that rule applies might give to those coming in with fruit some reason why this regulation is in force. I make that suggestion because we can quite understand that, if a carload of peaches or something of that nature comes into Canada, it is likely to bring in some disease. But this regulation does not apply only to commercial quantities coming into Canada. It applies to certain types of fruit no matter how small the consignment may be. A tourist may come along with twenty-five cents worth of peaches in a bag. He is informed that he cannot go any farther unless he eats those peaches; or if he does not care to eat them there are disposal cans at the back of the immigration buildings where he can dispose of the fruit. That is what happens. That was my experience. I was not going to dispose of any fruit in that manner. Therefore I sat there and ate it, and I also shared my bag of fruit with the immigration authorities who were quite happy about it, too. But while I was there I noticed one or two who were highly incensed as they hustled off with their few peaches, or whatever they had, and dumped them into the garbage can. I did not know anything about this and so I asked one of the authorities, as we were standing there eating our fruit together, why these regula-

tions were put into effect. I said, "I am a member of parliament at Ottawa and I must confess in my ignorance I had not heard of it before." He said, "It is a regulation of the Department of Agriculture." He explained to me that some type of germ, moth or something got into the stones of this fruit and when people ate the fruit they threw the stones away. The stones dried and the moth, or whatever it was, flew out and the orchards became infested with the disease. The explanation was a good one. I do not expect them to go out of their way to tell a long story to every tourist who would come in, or to citizens of our own country who cross into the United States; but it would be more satisfying to those who come in if some word were given to them in that regard. I might even suggest a little printed sheet. It would not have to be elaborate. This sheet could be handed to them and it would explain the matter to them.

Mr. Gardiner: The procedure followed is that the officials of the customs hold up the fruit or other product which might be carrying disease into the country. It is just possible that some of these men are not equipped with the knowledge which would make it possible for them to make a full explanation. The regulations are there, and it must be done. The fruit or vegetables, as the case may be, are held until one of our inspectors goes there and inspects it. That might take place after the traveller has gone through. It is a regulation made to apply probably to larger quantities, and it may apply successfully to larger quantities. It is more or less of a nuisance for people who are going hurriedly back and forth across the line. Possibly the last suggestion made by the hon. member is a fairly good one, that these men be supplied with slips upon which the explanation is made. All they will need to do is to hand it to the person. I think it is good and we shall consider that method of dealing with it. Some way should be found of giving these people the information. I may say that it is a regulation which does not apply only to this country, as everyone knows. A very high official came to me a short time ago and said that he could not get certain plants put on an aeroplane going to England. He was a very high official from Britain. He said he was surprised that he could not send these plants to Britain, and that they would not accept them on the plane. I said, "That would not be our regulation, that would be a regulation of your own government." On checking it he found out it was a regulation of the British government. They could not load on a plane here to be taken into Britain certain plants which might carry diseases from Canada to that country. It is a general regulation and a good one as applied to plants being moved from one country to another throughout the world. But I quite agree that some way ought to be found of telling the ordinary person who is just going back and forth across the line why the commodity is being seized.

Mr. Smith (Calgary West): I suppose the answer to the problem is that you should not bring into Canada moths in your stones, as the hon. member tried to imply.

Item agreed to.

Experimental farms service—

13. Experimental farms service administration, $113,470.

Mr. Knight: Is this the correct place to discuss what we call forestry farms? We have one in Saskatoon.

Mr. Gardiner: Yes.

Mr. Knight: I should like to say a word or two on that question. What is the work carried on there? Is its only purpose the growing and distribution of small trees for the purpose of farmers establishing shelter belts and so forth? I shall have a word or two to say afterwards on another use which I conceive to be perhaps even better than that. In the meantime, is that the business of that particular institution?

Mr. Gardiner: The purpose of these forestry farms is to propagate trees to be supplied, I think free in all cases, to farmers in the prairie sections of western Canada. So far as the one at Saskatoon and the one at Indian Head are concerned, they deliver largely to farms in Saskatchewan, but they also deliver to farmers outside Saskatchewan. The reason for that is that it is very difficult to grow trees in some parts of that section of the country.

Mr. Cruickshank: And anything else.

Mr. Gardiner: My hon. friend back here says, "and anything else". We did a better job of feeding all of our people than they have done in British Columbia with the farm lands there. But in any case, trees are put out to farmers free of cost on condition that they plant them under the regulations which are laid down by the department.

Mr. Knight: Can the minister give me an estimate of the number of trees which have been distributed annually, and during the last year for instance?

Mr. Gardiner: I am informed the number would run up to five or six million trees a year.

Mr. Knight: The other use of that particular farm is one which should be mentioned. I should like to pay a tribute to the Department of Agriculture and to the management of that particular farm. This particular forestry farm, as the minister knows, is just a mile or two out of my city. It is on the north side of the railroad town of Sutherland, and thousands and thousands of people during the summer months find relief from the heat by going out there on Sunday afternoons and in the evenings after work. That particular farm is fulfilling a fine function in that regard. It is a farm which is particularly well kept. The lawns in particular are like a cushion and the flower beds have been beautifully kept during the last year or two. I suppose the present management has been the inspiration of it. They are now making a small attempt at an animal park. They have a few deer and pheasants and that sort of thing.

Mr. Lennard: And mosquitoes.

Mr. Knight: I should like to say to the hon. gentleman that probably he has more experience with mosquitoes than we have.

Mr. Lennard: I was out in Saskatchewan and I was nearly chewed up.

Mr. Knight: May I say to my hon. friend that there were more things than mosquitoes that were chewed up in Saskatoon during this past summer. In saying that, I am being just a little political. I shall get back to my story.

Mr. Smith (Calgary West): It may be political but it is not politic.

Mr. Lennard: It is not good politics.

Mr. Knight: This, sir, is higher education. To go back to this particular item, and I have a reason for mentioning it, the minister has said that there is a particular difficulty in growing trees in that area. I do not know what dust does to trees, but the only fault with that particular farm is that the trees and the flowers and the lawns are continually covered with a coating of dust. In dry weather, which is normal in our part of the country in the summer, with the thousands and thousands of cars which are travelling over the road and the avenue into that particular place during the summer, there is a constant cloud of white dust, which is a menace. During the last summer the town of Sutherland approached me, as the member of parliament for that district, and I was also approached by the council of the city of Saskatoon and asked to bring this dust menace to the attention of the proper government department. They asked that the road which goes through that part be hard-surfaced.

The matter was brought to a head by the fact that the provincial government had been persuaded to hard-surface the road through the town of Sutherland. The dust menace, as I have no doubt the minister knows, is particularly bad there because all the traffic travels down the main street—perhaps I should say the only business street in the town. The dust was constantly in people's eyes, in the stores and everywhere. The provincial government did hard-surface the road through the town. I do not remember whether the pavement goes farther than the railway tracks, but the idea was that while the machinery was there on the job perhaps the dominion government might have been persuaded to co-operate with the province and hard-surface this particular stretch of road leading to this beauty spot.

We know that in the middle of the summer the minister was busy, as were many of the rest of us—and probably engaged in the same sort of business. I was informed that in the absence of the minister nothing could be done about it, and that certainly there was no provision for such an item in the estimates. I tried the Minister of Public Works, with the same results. When I went there I was referred back to the Minister of Agriculture. I take this opportunity tonight to suggest to the minister that there might be some way in which the dominion could co-operate, as a result of which a good road might be built into that particularly beautiful spot, out of which so many people gain restful pleasure during the summer.

Item agreed to.

Experimental farms service—

14. Central experimental farm, $1,330,560.

Mr. Hatfield: Why is there this increase in the expense in connection with carrying on the central experimental farm? About nine years ago the estimate for this farm was only about $400,000. Why do we have all these extra men and this extra expense at the farm?

Mr. Gardiner: There has been a great deal of discussion in the house on the matter of increasing wages of persons employed at the farm, and increasing the salaries of scientific personnel associated with the farm. All of that has resulted in an increase as compared with some years ago. However, it will be noticed that, as compared with last year, there is this year in the item a reduction of $85,281. So that in the estimates of those two years we have this year a reduction rather than an increase.

Mr. Stewart (Winnipeg North): How much land has been added to the experimental farm in the last two or three years?

Mr. Gardiner: The Caldwell farm was added in the last twenty-four months. I am not sure of the size, but I believe it was either one hundred or one hundred and fifty acres.

Mr. Hatfield: That makes 827 acres for the whole farm.

Mr. Gardiner: The total is about 1,100 acres.

Mr. Stewart (Winnipeg North): What was the cost per acre of the farm?

Mr. Gardiner: I shall have to work that out, because I have not that information before me. I shall bring it down tomorrow.

Mr. Stewart (Winnipeg North): Then, may we let the item stand?

Mr. Hatfield: What is the revenue from the farm?

Mr. Stewart (Winnipeg North): I should like the item to stand until we have an answer.

Mr. Hatfield: Would the minister tell the committee the amount of revenue from the farm?

Mr. Gardiner: If the item stands I shall answer all that later.

Item stands.

Experimental farms service—

15. Branch farm and stations and illustration stations, $3,819,403.

Mr. Cruickshank: Has any provision been made for an illustration station in British Columbia in connection with small fruits such as raspberries and strawberries? If so, where? Has any station been established in connection with tulip and daffodil bulbs? If so, where?

Mr. Gardiner: A survey is being made to establish an experimental station in connection with fruit. I was asked the question today by way of a note from one of the new members from British Columbia, and I replied to him to the effect that a survey is being made, and that when a report is received it is our intention to establish a station somewhere. I am not in a position to say at the present time just where it will be.

Mr. Cruickshank: It is for small fruits?

Mr. Gardiner: Yes. The station which does give out information in connection with the growing of bulbs, and which has been established for that purpose, is at Saanichton. It is in operation now.

Mr. Cruickshank: Quite a large amount of money is involved. Will the minister give consideration to establishing an experimental plot at the present experimental farm at Agassiz. We brought in some bulbs from Vancouver island, and some disease has developed in our Fraser valley bulbs.

The minister has said that they are considering establishing a station somewhere; I suggest that it should be located where the small fruits are grown. Let me point out that 85 per cent of small fruits are grown around the central part of the Fraser valley, and I suggest that would be the logical place for the station. I am not particularly concerned about where it is located, but that would seem to be the logical place for it.

Mr. Gibson (Comox-Alberni): I do not like the inference left by the hon. member for Fraser Valley, that the diseased bulbs came from Vancouver island.

Mr. Gardiner: Some work is being done at the Agassiz farm in connection with bulbs. I believe the hon. member is right when he says that there is not enough work being done in connection with small fruits. It is my understanding that quite a number of people in that section of British Columbia have a feeling that we ought to move the farm. I do not know that that will be done. Probably there is some good reason for having it remain where it is. No doubt some work will be done there in due course. But the general opinion, as a result of a survey, is that the station should be farther down the valley. I am not sure that that will be acted upon, but it indicates the present position.

Mr. Cruickshank: I should be consulted before a change is made.

Mr. Harkness: I have had inquiries from farmers in Alberta in connection with the experimental farms in the province and I should like to ask where those are located, what particular type of work is being carried on, and the number of personnel employed in each instance.

Mr. Gardiner: There are farms at Beaverlodge, Lacombe, Lethbridge and Fort Vermilion, and then there are other experimental stations here and there throughout the province. The general practice is to rent land from a farmer, allow him to utilize the crop for any purpose desired, provided he follows instructions in seeding and permits people to be taken on to the farm to be instructed as to what is being done.

Mr. Harkness: What are the activities being carried on at each of the four main farms?

Mr. Gardiner: There are eleven stations in Alberta, there are seventeen in British Columbia and fifteen in Saskatchewan. Those are all apart from the experimental farms. Very few if any of those experimental stations are on land that we own; they are generally on land rented from the farmers.

With regard to the work carried on, Lethbridge has to do with the type of agriculture carried on in that district and, as hon. members know, the Lethbridge area is an irrigation area. Another type of work carried on has to do with the large stock farms and ranches in that area. There is a considerable amount of work being done to promote the production of the best type of stock for those ranches.

Mixed farming is carried on in the central part of the province and the farm there is to assist in the carrying on of agriculture in that area. Persons engaged in agriculture have access to the farm and the farm officials go out on extension work, particularly to the illustration stations that are established here and there.

The work carried on at Beaverlodge has to do with the utilization of two types of land which fortunately are to be found on that farm. The farm is situated on the edge of two large areas and experimental work is carried on in order to assist farmers going onto those lands.

The Fort Vermilion farm is 500 miles north of Edmonton and one can understand the type of work that would be done there. We endeavour to indicate to people going into the far north the manner in which they can best set themselves up in agriculture in that area.

Mr. Shaw: Approximately a year ago considerable publicity was given to a government announcement that a special station would be established in Alberta to operate either out of Lacombe or Beaverlodge in order to study the grey wooded soils. Has that station been established and, if so, where has it been established and what progress has been made in this work?

Mr. Gardiner: As I mentioned, some eleven stations of this type have been established. There is one at Rocky Mountain House which contains some of that soil. There are two types of soil there and experimental work is being done. It is intimated that at an earlier session it was suggested that we might be establishing other stations to take care of that work. We are giving consideration to these matters at all times. I have no definite information, but I have no doubt that the matter is still being considered. If not, I shall inquire into it and see that it is.

Mr. Applewhaite: It may be a surprise to hon. members to know that the representative of Skeena should take an interest in agriculture, but I would assure hon. members that agriculture is only one of our primary industries. I think the minister will bear me out when I say that he has been approached by the Terrace board of trade and other organizations in the Skeena valley on more than one occasion requesting the establishment of a small illustration station in order to ascertain the value of the soil there for the production of small fruits and vegetables.

I regret that I cannot agree with the hon. member for Fraser Valley, who suggests that as his district has demonstrated its ability to produce more fruits and vegetables it should now have an illustration station in order to prove that they can so do. I suggest in all seriousness that the location of Terrace coupled with the tremendous development that is going on in the north-central area of British Columbia justifies the government in establishing a station there so that farmers may be advised what type of produce they should grow in order to take advantage of the markets which are now right at their doors at Prince Rupert and Prince George.

It may be said that there is already a station at Smithers, but Smithers is 141 miles from Terrace and as between the two locations there is a tremendous difference in the terrain. The type of farming carried on at Smithers is largely grain and stock raising whereas the type of farming carried on at Terrace is the growing of fruits and vegetables. Terrace is the growing area possibly closest to the Pacific coast and it can readily supply the market at Prince Rupert. I request that the minister give consideration to this matter.

Mr. Gardiner: Representations were made to the experimental farms branch of the Department of Agriculture to have such a station established at Terrace and that branch has agreed that one should be established. At the present time they are looking over the area with the idea of selecting the farm upon which it ought to be established, and I can assure the hon. member that we will press on with that work as rapidly as possible.

The Deputy Chairman: Shall the item carry?

Some hon. Members: No, stand.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Gardiner: Before I move the adjournment of the house I should like to say that tomorrow we shall continue with the debate on the address in reply to the speech from the throne. I move that the house do now adjourn.

It being two minutes after eleven o'clock, the house adjourned, without question put, pursuant to standing order.

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

Administration service—

1. Departmental administration, $282,160.
2. Publicity and extension division, $242,760.
3. Advisory committee on agricultural services, $5,000.
4. Contributions to commonwealth bureaux, $86,139.

Science service—

5. Science service administration, $680,070.
6. Animal and poultry pathology, $353,515.
7. Bacteriology and dairy research, $125,335.
8. Botany and plant pathology, $1,154,500.
9. Agricultural chemistry, $368,823.
10. Agricultural entomology, including a payment of $3,500 to the commonwealth biological control laboratory, Belleville, Ontario, for special services, $1,321,926.
11. Forest entomology, $1,087,490.
12. Plant protection, $639,320.

Experimental farms service—

13. Experimental farms service administration, $113,470.

HOUSE OF COMMONS

Wednesday, September 21, 1949

The house met at three o'clock.

GOLD MINING INDUSTRY

STATEMENT AS TO CONTINUANCE OF AID UNDER EMERGENCY GOLD MINING ASSISTANCE ACT

Hon. Colin Gibson (Minister of Mines and Resources): Mr. Speaker, I wish to take this opportunity of presenting a statement to the house defining the policy of the government in regard to the continuance of the aid which has been given to the gold mining industry of Canada since January 1, 1948, under the terms of the Emergency Gold Mining Assistance Act.

As hon. members are aware, the steps recently taken to alter the value of the Canadian dollar in relation to the United States dollar have a direct benefit to the gold mining industry. In the light of these benefits it has been necessary for the government to re-examine the terms of its policy. The Emergency Gold Mining Assistance Act was presented to parliament and passed in order to aid an industry that had experienced a great increase in its cost of production during a period in which its product was sold at a fixed price. It was the desire of the government and of parliament not only to assist the industry but, even more, to protect the communities dependent upon that industry.

The effect of the application of the policy embodied in the Emergency Gold Mining Assistance Act was to increase the price per ounce received by the gold mines of Canada on an average of $3.20 during the designated year 1948. It should be noted, however, that this is an average figure, and whereas some mines received as little as 50 cents an ounce other mines with higher costs received the maximum allowed, namely $16 an ounce. The effect of the adjustment in the exchange value of the Canadian dollar has been to raise by $3.50 per ounce the price that will be paid for gold produced and sold to the Canadian government. Under the circumstances it might be argued that the government would be justified in discontinuing the payments under the Emergency Gold Mining Assistance Act because of the assistance which the mines will receive from the adjustment in the dollar exchange value.

The government has decided against such a policy. This decision has been taken for the following reasons: (1) When the Emergency Gold Mining Assistance Act was passed, it was proposed that it would remain in effect for three years. Some of the mines have undoubtedly been basing their operations specifically on this fact. It would therefore be unfair to these mines to alter the period during which the act will remain in effect. (2) Discontinuance of the benefits under the act would not fall equally on all the mines. The effects of the payments to the various mines are directly related to the needs of those mines and their dependent communities. Cancellation of this policy would mean that some would be affected only in a minor way and that others would suffer serious hardship.

Having decided against the policy of cancellation, the government was then faced with the necessity of deciding whether the act should be left to operate without any modification, or whether some change less drastic than cancellation should be adopted, in fairness not only to the mining communities but to the taxpayers and general public of Canada.

After careful consideration the government has come to the conclusion that the fairest policy that can be adopted in the circumstances can be brought into effect by taking the following steps:

1. The present assistance payments will be continued until the end of the calendar year 1949. During this time the mining industry will have the full advantage of such payments and of the adjustment in the exchange value of the Canadian dollar.

2. Before the end of this year the government will introduce legislation to amend the act to provide that during the last year of its operation—that is, the calendar year 1950—the total amount of assistance payments made to any mine will be reduced by an amount equal to $3.50 an ounce for each ounce of gold to which the rate of assistance under the present act applies. This in effect means that any mine which during 1950 would have been entitled to assistance payments of $3.50 or less will receive nothing. Those mines entitled to receive more than $3.50 an ounce will receive the difference between $3.50 and the amount to which they would have been entitled.

The adoption of this policy will mean that during 1950 the mining industry will receive

full benefits accruing from the adjustment in the exchange value of the Canadian dollar, but that the payments from the public funds will be reduced, in the case of mines that are eligible for assistance under the act, by the sum of $3.50 or any lesser amount to which they would be entitled on each ounce that would otherwise have been subject to the assistance payments. The effect of the modification in the terms of the act will, it is estimated, mean a reduction in payments during the course of the year 1950 of approximately $4,500,000. This compares with a total payment during 1948 of $9 million and a probable payment during 1949 of $10 million.

At the same time it will be noted that the probable additional payments to the gold mines coming under the Emergency Gold Mining Assistance Act as a result of the adjustment in the exchange value of the dollar will amount in 1949 to about $3 million, and in 1950 to approximately a further $12 million.

It should be made quite clear that it is the intention of the government to terminate the assistance given under the Emergency Gold Mining Assistance Act on the date stated in the act, namely December 31, 1950.

It was announced in the last session of the twentieth parliament that the government proposed to introduce legislation to amend the Emergency Gold Mining Assistance Act for the purpose of aiding certain mines which, through no fault of their own, had been ineligible under the original terms of the act. In the speech from the throne at the opening of the present session the government's intention in this regard was reiterated. I wish now to make it quite clear that the government's policy in this connection has not been altered, and that it is proposed to proceed during the present session with the amendments which have been designed to effect this purpose.

HOUSING

ASSISTANCE TO HOME OWNERS AND BUYERS—AGREEMENTS WITH PROVINCES FOR PUBLICLY SPONSORED PROJECTS

Hon. Robert H. Winters (Minister of Reconstruction and Supply): Mr. Speaker, hon. members might be interested in learning of the government's intention with respect to housing.

It is now over four years since the war ended. Some problems which were emphasized and aggravated by wartime conditions have continued into the post-war period. Housing is one of them, and it gives promise of being a long-term peacetime problem. Therefore any approach to the problem of housing should be based on peacetime conditions. Although constitutionally housing is primarily a matter for the provinces and municipalities, the federal government believes that any effective solution must involve the fullest co-operation among all levels of government, as well as industry.

Accordingly, on March 2, 1949, the Prime Minister (Mr. St. Laurent) wrote all provincial premiers, stating that any suggestions or proposals they might care to submit for improving the housing of Canadian citizens would be considered by the federal government. At that time almost all provincial governments were involved with their legislative programs and were not able to give to the problem detailed attention, although most of them expressed concern and keen interest.

To facilitate consideration of the problem we recently undertook to view housing conditions, as well as building activity in each province, and have had conversations with each provincial government about housing. From our discussions it was clear that the provinces recognized their constitutional and practical responsibilities in this field, but the majority indicated that financial assistance would be required from the federal government.

This year's housing production will be higher than ever before. It is likely to reach a record high of approximately 100,000 units in 1949. This large number of units has been spread over all the provinces, but provincial governments nevertheless agree with us that having regard to the high level of economic activity, increase in population, rapid growth of family formations, immigration, obsolescence of existing housing units, and other factors, there will be a continuing need for a large annual supply of residential units. New housing, even at the present record rate of production, is barely keeping up with current needs and making no important inroads into the backlog.

The joint efforts of industry and the three levels of government—municipal, provincial and federal—in their respective fields will be required to produce a large supply of new units. I believe all provinces agreed with us that it is the desire of the average Canadian to own his own home and that the primary and most economical source of new housing had been and would be from private endeavour. Therefore any arrangements between the two senior governments should be directed toward the encouragement of more home ownership and also of rental housing by individual effort.

The increasing difficulty for the prospective home owner of low or moderate income to finance down-payment requirements in build-

ing a house was emphasized by all provincial governments. The down payment is the difference between the purchase price and the mortgage financing. The provincial authorities felt that the number of potential home owners could be increased if sound financing facilities were provided to reduce the down-payment requirements. It was recognized that larger mortgage loans might well tend to increase sale prices, and there was general agreement that if additional financing for this purpose is arranged, steps should be taken to guard against inflationary effects.

The shortage of serviced land is a very real obstacle in the way of an increased volume of housing building. The abnormally rapid urban growth of recent years has been placing important financial burdens upon municipalities. Many are experiencing difficulty in producing funds to finance roads, sewers, water, sidewalks, etc., for the current house building program. The provinces and the dominion feel that this is a field in which the municipalities may need assistance from the senior governments.

During the conversations several of the provinces expressed the view that assistance to co-operative building projects was an important way in which housing might be increased. It was felt that in the medium and smaller communities, particularly in those provinces where co-operative building is customary, it would be possible to further the development of local interest, particularly among people who are anxious to use owner-labour as their equity in their homes.

It was felt that although heavy reliance should be placed upon private endeavour to produce large quantities of housing over the years to come, it was desirable to take steps which would enable the provinces, joining with the dominion, to develop projects either for home ownership or for rental. The housing deficit is so great in certain municipalities and the obstacles facing the municipalities so severe that early steps to remedy the situation may well require that projects be sponsored by the dominion and the province. It is recognized by all concerned that care must be exercised to ensure that such projects do not reduce the flow of new housing by private endeavour.

As a result of these discussions, it is proposed to seek amendments to the National Housing Act this session to provide financing facilities to assist home owners in down-payment requirements. It is considered that such financing facilities would widen the band of potential home owners. It is proposed that the present level of loans to house builders would be little changed. However, it is proposed to seek amendment to the act extending authority to Central Mortgage and Housing Corporation to make a loan to the home owner purchasing the house from the builder in an amount of one sixth of the loan which has been made to the builder, provided that the sale price to the home owner is fair and reasonable. This would have the effect of providing financing for the home owner to the extent of approximately half of his present down-payment requirements. Because of the danger in such an arrangement that the increased loan to the home owner would have the effect of increasing the sale price of the house, the provision of such extra financing for the home owner would be limited to houses which have been sold at a fair and reasonable price. There would be no restrictions upon the builder as to the price at which he may sell the house. However, the extra loan would only be made to the home owner if at the time of application for such extra loan, we were satisfied that the sale price was fair and reasonable. Although this larger National Housing Act loan would take the form of two advances, the first to the builder and the second to the home owner, the original mortgage deed under which advances would be made to the builder would be written at an amount sufficient to avoid additional registration and legal costs if a further loan was made to the home owner.

The same principles would be applicable to individuals who are making arrangements to construct their own homes and are not buying them from builders. Larger loans would be available to such individuals, provided that the cost to the home owner of building his house was fair and reasonable.

A number of technical matters remain to be determined. I shall be able to give a fuller statement concerning these arrangements at the time the resolution is being considered by this house. We are not asking the provinces to participate financially in these measures to encourage home ownership by reduction of down payments.

It is proposed also to seek changes to the section of the National Housing Act dealing with co-operatives. In the light of present conditions this section is not effective. Investigation is now going on in three provinces where co-operative housing is general, and I am hopeful that at the time other amendments are introduced we will be ready to proceed with amendments to the co-operative section of the National Housing Act.

We also propose to introduce legislation to enable the dominion to enter into agreements with the provinces for publicly sponsored housing projects. These projects may take the form of the assembly of land and services to enable an increased volume of housing by private builders. They may take the form of the dominion and province proceeding with

moderate priced houses for sale to home owners. They also may take the form of rental projects, in which event the dominion and the province would seek local management for the completed project.

During our conversations the provinces favoured the first two forms of project. They appreciated that there is a demand for redevelopment and slum clearance. However, with the present high cost of acquisition of land for redevelopment, the high cost of construction for centrally located fireproof residential development, as well as the difficulty in rehousing families now occupying land suitable for redevelopment, there is reason for the conclusion that, whereas rental housing of this kind may be desirable, now is not the time to proceed on a large scale. I would point out, however, that the terms of the enabling legislation will be broad and flexible enough to enable arrangements with the provinces which would include rental projects either on an economic or a subsidized basis. Subject to the very real difficulties which I have just mentioned, the dominion is prepared to proceed with rental housing projects in co-operation with the provinces.

With safeguards that the residential units to be built are of a modest type, the legislation contemplates agreements between the dominion and the provinces to enter into projects in municipalities where need exists, and where suitable arrangements can be made with the help and co-operation of the municipality. Under the agreement both the dominion and the province would have to be satisfied with the nature of the project, whether it takes the form of land assembly, houses for sale, or rental units. All costs of any project developed under this joint arrangement would be a charge against the project. In developing a project each of the two senior governments would be responsible for those operations which they are best able to handle. The province would see to the acquisition of the land and make arrangements for services. The province would receive requests from municipalities and other bodies for public assistance in housing. This meets the wishes of the provinces, and it is appropriate that they should deal directly with their own municipalities.

The dominion as its share of the joint undertaking would see to the planning, design and construction of the projects. It is recognized that a number of operations within the spheres of the dominion and the province will overlap. For that reason it is contemplated that there would be joint management of the development of each project by the dominion and the province. Generally each partner would contribute managerial assistance within its own sphere.

[Mr. Winters.]

Funds for the financing of each project would come 75 per cent from the dominion and 25 per cent from the province. The project would be charged with a rate of interest slightly higher than long-term dominion rates in respect to the dominion's share of the investment. In respect to the province's share, its long-term interest rate, with a like differential, would be a charge against the project. Amortization of the original investment by the province and the dominion over appropriate periods would be a charge against the project. In the case of land being assembled for sale to private builders, and in the case of houses for sale, it is likely that the investment by both governments would be relatively short-term. Where the project takes the form of rental units, appropriate amortization periods ranging from thirty to fifty years would be established.

The annual profit or loss resulting from each project, whether land assembly, home ownership or rental units, would be shared 75 per cent by the dominion and 25 per cent by the province.

It is proposed that the municipalities would receive as a payment in lieu of taxes an amount equivalent to taxes received by them on the basis of normal assessments and normal tax rates for comparable property. The level of these payments in lieu of taxes would be determined upon the advice of the department of municipal affairs and the municipal board of the province concerned. If a province felt that municipal financial participation in the project were necessary or desirable, arrangements could be made by them for the municipality to assume a portion of the province's share of 25 per cent. In any event, the arrangement between the dominion and the provinces would be unchanged.

There are a number of details still to be worked out, but I have outlined the general proposal. We feel that it would be a desirable partnership between the two senior governments. The proposal is flexible and would enable the senior governments to provide assistance where necessary. We feel that the provinces are better able to deal with land, services and municipalities than is the dominion. As a result, the operations should be considerably more efficient than if the dominion were operating in the field alone. Care would be exercised to see that the operations of the senior governments in this field supplement rather than replace the activity of private endeavour upon which we place the greatest reliance for large volume of house building.

The legislation to enable the dominion to enter into these arrangements with the provinces is being brought forward at this session

so that the provinces which need legislative authority to join with the dominion may bring the matter before their legislatures as soon as possible. I cannot forecast whether all provinces will find the dominion proposals acceptable. But I can say that without exception provincial premiers and ministers have discussed these proposals, as well as other alternatives, in a most friendly way with a determination to improve housing conditions. There is indication that they consider these proposals to be reasonable, and it is my hope that most of the provinces will see fit to join with the dominion in its effort to meet the shortage of housing in Canada.

These proposals are directed towards establishing a long-term arrangement between the dominion and the provinces whereby the nation's housing needs for its citizens can be met. It is hoped that the present form of veterans' rental housing program can be merged into the new arrangement with the provinces. It is to be remembered that a greater supply of housing of all kinds will in itself relieve the housing needs of veterans. We appreciate that the housing needs of veterans of world war II is a continuing problem. Therefore, within the framework of these proposals, by veterans' preference where appropriate, we hope that housing for veterans will continue to be provided.

It will be remembered that under the 1949 veterans rental housing program the dominion built houses when municipalities participated by supplying land and services. Our 1949 veterans rental housing program shows clearly an increasing unwillingness and inability of the municipalities to participate in the present arrangements. Therefore, revised arrangements appear to be necessary to maintain a satisfactory flow of housing of this type. Under these proposals if the municipality and the province feel that a veterans' problem exists, houses may be produced for veterans' use. In particular, the dominion would be quite agreeable to proceeding with joint dominion-provincial projects with a veterans' preference. In my conversations with the provinces it was quite evident that the provinces are as aware of the need for houses for veterans as is the dominion.

No one can estimate the amount of additional housing which these proposals will create. The capacity of the construction industry, continuing effective demand by home owners, as well as the level of income of individuals, all have an effect upon the number of completions of residential units. No single method or approach in itself is a complete solution. The measures proposed today should be helpful. They may have the effect of increasing the total number of completions. If for any reason the volume of new residential starts should tend to turn downward, these measures may well have the effect of maintaining a reasonable level of residential construction. They are an important step to minimize the wide swings in residential construction which have been the experience of the past. However, I would emphasize that these proposals are not our whole housing program. We will continue to press other measures which have proved successful in recent years, such as National Housing Act loans of other kinds, rental insurance, the expediting of building materials, the program of married quarters for the Department of National Defence, as well as research work directed towards improved methods of construction and economies in home building.

I hope the proposals outlined today will commend themselves to the house. Some success has attended our efforts in increasing the capacity of the house-building industry. There is no desire by the dominion to enter the direct construction field. The policy as enunciated by the Minister of Reconstruction and Supply in 1946 is the keystone of our present policy; that is, the creation of conditions favourable to a large housing program by private individuals and companies. Only to the extent that housing needs are not being met is it proposed that the dominion and the provinces will enter the field. It seems to me that only by the co-operative efforts of all levels of government and the house-building industry can we maintain our high volume of new residential construction and increase it beyond its present level.

Mr. Fleming: May I ask the minister one or two questions arising out of the interesting announcement he has just made? In the first place, is any specific assistance contemplated in connection with slum clearance? In the second place, is any limit being placed by the dominion government upon the amount of financial assistance it proposes to offer to the province under this policy?

Mr. Winters: These are of course matters of detail. The sections now in the act with respect to slum clearance are quite clear. I do not believe the statement I have just made is debatable at the moment, but there will be a resolution before the house relatively soon, upon which occasion I should be glad to discuss all these matters.

Mr. Smith (Calgary West): Purely as a matter of clarification I should like to ask a brief question. The minister spoke of various things being charges against the project. I assume he meant charges against the individual unit, so that some day a man may own his own house, and know what his debts are.

Mr. Winters: That is right.

Inquiries of the Ministry

FOREIGN EXCHANGE

EXPORTS FROM MARITIMES—QUESTION AS TO PAYMENT IN STERLING

Hon. Douglas Abbott (Minister of Finance): Mr. Speaker, yesterday the hon. member for Victoria-Carleton (Mr. Hatfield) asked the following question:

I wish to direct a question to the Minister of Finance. Will the exporters of surplus potatoes, fish, lumber, and other commodities of the maritime provinces be allowed to accept sterling in payment for exports to the British West Indies and South American countries, thereby retaining those markets which they have built up over the years?

My reply is that the recent adjustment in the exchange value of the Canadian dollar as such will not affect in any way the position of exporters to the British West Indies or other parts of the sterling area. Exporters to those countries of products such as were referred to may still export and receive sterling in payment. That sterling will be converted, of course, into dollars at the new rate of $3.07\frac{1}{4}$.

So far as the South American countries are concerned, the situation is also unchanged. In those countries exporters have been in the past and will continue to be obliged to accept payment in United States dollars.

Mr. Hatfield: Do I understand the Minister of Finance to say that we can now accept sterling for shipments to the West Indies?

Mr. Abbott: We have always accepted it. It has always been convertible; if the British West Indies were allowed to import, they were allowed to pay in sterling and the sterling was made readily convertible.

Mr. Hatfield: The British West Indies have not been able to pay us in sterling.

Mr. Abbott: They have always been able to. If the hon. member means sterling that is blocked, of course they cannot. If he means sterling which cannot be used for the purchase of merchandise, he is right; but exports to the British West Indies which are allowed in can be paid for in sterling, and that sterling is made convertible by the Bank of England at the official rate. Exporters have to have an export permit to take the merchandise in. They have to secure it from the British, not from us.

Mr. Hatfield: We are still shut out.

WASHINGTON MONETARY TALKS—QUESTION AS TO RESTRICTIONS ON IMPORTS FROM UNITED STATES

Mr. W. Ross Thatcher (Moose Jaw): I had intended to direct a question to the Minister of Trade and Commerce, but as he is not in his seat I will direct it to the Minister of Finance.

[Mr. Winters.]

I hope he will not mind answering it. Will the Minister of Finance state whether the recent financial conference between Great Britain, the United States and Canada will result in any early change in the import restrictions on United States goods coming into Canada?

Hon. Douglas Abbott (Minister of Finance): No, Mr. Speaker. Of course that is a matter of government policy which will be announced in due course.

PUBLIC WORKS

POST OFFICE BUILDINGS—WINNIPEG AND PETERBOROUGH

Hon. Alphonse Fournier (Minister of Public Works): Mr. Speaker, on Monday the hon. member for Winnipeg North Centre (Mr. Knowles) asked the following question:

I should like to ask the Minister of Public Works whether construction will be undertaken soon of the new federal post office in Winnipeg.

The answer is that in 1948 we filed notice of expropriation against this property, bounded by Graham avenue, Smith street, St. Mary avenue and Garry street. Sixteen properties were involved, and we have already settled and have the deeds for fourteen. The remaining two properties have been turned over to the exchequer court, and the hearings are in the hands of that court.

Plans are being prepared and developed by the Post Office Department to cover their requirements, after which it will be necessary to prepare the detailed plans. For this purpose the firm of Messrs. Blankstein and Russell, architects, of Winnipeg, have been retained. As this is a major sized building, it will require the best part of a year to prepare the detailed plans.

On the same day the hon. member for Peterborough West (Mr. Fraser) asked the following question:

When the minister is looking that up will he also find out and tell me when he is going to start the one in Peterborough?

In 1939 we acquired a site located on the southeast corner of Charlotte and Louis streets in Peterborough. During the war no attempt was made to erect the building, on account of conditions at the time. Immediately following the war it was decided to refrain as far as possible from work on any public buildings, in the interests of making the short supply of labour and materials available to private interests.

Together with the Post Office Department we are preparing plans covering the requirements of a building to meet the demands of the former. After the requirements have been determined it will be necessary to pre-

pare the detailed plans. The firm of W. R. & L. Blackwell, of Peterborough, have been appointed to prepare these plans, and it is expected they will take a period of six months to complete.

HOUSE OF COMMONS

QUESTIONS ASKED ON THE ORDERS OF THE DAY—STATEMENT OF MR. SPEAKER

Mr. Speaker: At this time I should like to remind hon. members that it is customary, on the orders of the day, to ask of the ministry only those questions which are urgent and which may be answered briefly. I think the questions answered today by the ministry might more properly have been placed on the order paper. I suggest to hon. members that any questions asked before the orders of the day are called should be urgent, and such as can be answered briefly.

[*Later:*]

On the orders of the day:

Mr. Gordon Graydon (Peel): Mr. Speaker, I rise to a point of order having to do with your remarks with regard to the urgency of questions asked of the ministry on the orders of the day. Those remarks were quite in order, and I am sure most hon. members will agree with me in that.

Some hon. Members: Order.

An hon. Member: The hon. member is out of order.

Mr. Graydon: Wait until the Speaker tells me that.

Mr. Speaker: Order.

An hon. Member: He did.

Mr. Graydon: Since we are in the early stages of the session it might be well to have some of these matters clarified. I think everyone will admit that at all times the ministry should be permitted to make statements to the house on matters of urgency, and I offer no objection to the making of the two important announcements which have been made today, and which in my opinion were in order. But in the past, statements have been made by the government in an ex parte way which were not subject to debate and which in our opinion were not urgent. It leaves hon. members in the position of the government being able to make an ex parte statement without the opportunity for comment or question by private members. If the government is to be allowed this latitude, then perhaps you, sir, in your very excellent judgment, will allow similar latitude to those of us in this part of the house who from time to time may desire to have such statements clarified.

Criminal Code

CRIMINAL CODE

AMENDMENTS RESPECTING PISTOLS, AIR GUNS, MOTOR VEHICLES, LEVEL CROSSINGS AND PAYMENT OF FINES

Mr. T. L. Church (Broadview) moved for leave to introduce Bill No. 3, to amend the Criminal Code (pistols, air guns, motor vehicles, level crossings and the payment of fines).

Some hon. Members: Explain.

Mr. Church: Mr. Speaker, this is a constructive bill, containing suggestions for consideration by the government. The bill this year is similar to the one I have introduced for the past four years, although not exactly the same. It deals with the following subjects: (a) the awful loss of life on the highways of Canada through motor car accidents —almost every highway, urban, suburban and rural, is coloured red as a result of death and injury; (b) hit-and-run drivers; (c) fires in homes and dwellings, and (d) level crossings. The bill sets out some amendments which I suggest would remedy matters.

While I am not attempting on first reading to deal more than in a cursory fashion with the bill, by leave of the house I should like to call attention to some of the suggestions.

One is the adoption by Canada of the law of England, commonly known there as the Summary Offenders Act, giving poor people now committed to jail time to pay fines which are levied. According to returns I have received from England, this provision has closed half the prisons over there.

We are going through very difficult times, and the loss of life from these causes, in an economic sense and in every other way, is nothing less than scandalous.

These suggestions are somewhat educational. On former occasions, especially in 1935 and 1937, although not since the second world war, the house spent some time discussing this matter. Hit-and-run drivers are guilty of one of the worst forms of murder of men, women and children. It is the most cowardly form of murder we could have.

In this bill I am suggesting an amendment which is in use in some of the states across the border; it would require motor car drivers to stop, listen, and open the front door of the car, as buses are required to do under the provincial highways act, before entering a level crossing. A fine of up to $50 could be imposed for failing to do this. I know that in the Toronto district such a law would have saved many lives during the past summer.

I would like to call the attention of the house to the clauses in the bill dealing with

youth. There is no reason that I know of why parents should not be notified when teen-age youths are in trouble, although some of them are the worst offenders; and they should be represented by counsel at any trial. I suggest that the house devote some time to a discussion of these important matters. The bill contains many suggestions that should be considered, especially in these days of the mad rush for speed, which, according to the records, have followed every great war.

Motion agreed to and bill read the first time.

ONTARIO PEACHES

APPRECIATION OF GIFT OF MEMBER FOR LINCOLN

On the orders of the day:

Mr. G. A. Cruickshank (Fraser Valley): Mr. Speaker, I have been asked by my fellow members from British Columbia, and I think other hon. members will feel the same way, to say a word about Ontario peaches, which I have had occasion to mention in the past. I want to say that we all appreciate the splendid specimens of peaches which were presented to us today by the hon. member for Lincoln (Mr. Cavers). I have never had the privilege of visiting Lincoln, but judging by the quality of the peaches which were delivered to our offices today, I think that Lincoln could well be annexed to British Columbia.

Mr. Graydon: May I say to the hon. member for Fraser Valley that those peaches were so good that I thought they came from Peel.

PARLIAMENT HILL

QUESTION AS TO PARKING SPACE FOR MEMBERS' CARS

On the orders of the day:

Mr. J. G. L. Langlois (Gaspe): Mr. Speaker, I rise to a question of privilege. Since arriving here for the first session of the twenty-first parliament I have found it most difficult to find around this building a vacant parking space for my car. Apparently the space reserved to hon. members for this purpose is insufficient. When I arrived for the eight o'clock sitting last evening I was unable to find a vacant parking space, although I drove around the building twice. I then went to the R.C.M.P. constable on duty and asked him to direct me to a space where I could park my car. He then directed me to the general parking section west of the section reserved to ministers of the crown, although parking in that section is limited to an hour and a half only.

[Mr. Church.]

This morning I again went around the building without finding a parking space available. Seeing no constable on duty, I parked my car in the general section in which I had been directed to park last night. But when I went back to my car at twelve-thirty I found this notice on the windshield:

T.V.S. No. 773 Date 21/9/49 Time 11.45 A.M.
Royal Canadian Mounted Police
Room 27, Justice Building
Licence No.: L8585 Place: Parliament Hill
The driver of this vehicle has committed a breach of the regulations governing traffic on dominion property as indicated below:
Parking—Overtime: West of Commons, 9.45 to 11.45

There is no mention in the notice of where I should report, and there is no indication whether this is only a warning or not. Therefore I am apprehensively awaiting prosecution for the crime I have allegedly committed.

Mr. Cruickshank: You will get six months.

Mr. Langlois (Gaspé): I consider it my duty to bring this case to your attention. In making these remarks I have no intention whatsoever of casting unpleasant reflections on the constables in charge of order and traffic around these premises. My sole aim in speaking is to inform you, sir, of this most unsatisfactory situation, which, if not corrected, may seriously prejudice some hon. members of this house, who certainly are entitled to some prerogatives and privileges.

Mr. Speaker: May I say to the hon. member for Gaspe, and to the other hon. members of the house on whose behalf I think he has spoken, that I have had little experience in passing judgment on those who have committed breaches of parking bylaws. My experience has been more on the side of the defence. I cannot say what penalty, if any, can be imposed, but I do assure the hon. member that the question he has raised will be brought to the attention of the proper officials of the house.

FLAXSEED

AVAILABILITY FOR CRUSHING IN SASKATCHEWAN VEGETABLE OIL PLANTS

On the orders of the day:

Mr. R. R. Knight (Saskatoon): I had hoped to ask the Minister of Trade and Commerce a question of which I sent him notice, but he is not in his seat. Perhaps his parliamentary assistant can give me the answer. May I say that I can comply with the requirement of urgency referred to by Mr. Speaker, because an industrial plant in my city is being closed today.

My question is this: Will the wheat board, the board of grain commissioners, or any

other government agency take steps to ensure the availability of a sufficient and continuous supply of flaxseed for crushing purposes at the Saskatoon vegetable oil mill and other similar industrial plants in Saskatchewan during the coming year?

Mr. Cruickshank: Are you going to make oleomargarine?

Right Hon. L. S. St. Laurent (Prime Minister): I can only say to the hon. member that I will bring his question to the attention of the proper officials of the Department of Trade and Commerce, and as soon as an answer can be obtained from them it will be made available.

OLEOMARGARINE

QUESTION AS TO CONSTRUCTION OF PLANT IN FRASER VALLEY

On the orders of the day:

Mr. A. W. Stuart (Charlotte): I should like to direct a question to the Minister of Agriculture. Is it true that at the present time a plant is being built in the Fraser valley for the manufacture of oleomargarine?

Right Hon. J. G. Gardiner (Minister of Agriculture): I take it from the remarks made last night by the member for that constituency that one is being built. We have no control over that.

BUTTER

DISPOSITION OF STOCKS HELD IN STORAGE

On the orders of the day:

Mr. A. Earl Catherwood (Haldimand): I should like to direct a question to the Minister of Agriculture. In view of the fact that at the present time the government is holding stocks amounting to 48 million pounds of butter, which seems to be a very large quantity, what action is contemplated as to the marketing or disposition of those stocks?

Right Hon. J. G. Gardiner (Minister of Agriculture): In view of the ruling which you gave a few minutes ago, Mr. Speaker, it would be impossible for me to answer that question and be in order, because the answer is a page long. The question is not urgent, because a press release on August 11, 1949, made an announcement of government policy, and it is known to the public right across Canada. If the hon. member wishes to put such a question on the order paper, so that the answer may be published in *Hansard*, we can see that that is done.

Mr. Hatfield: The same as you did with potatoes.

CATTLE

COMPENSATION FOR TUBERCULOSIS REACTORS

On the orders of the day:

Mr. H. O. White (Middlesex East): I should like to ask the Minister of Agriculture when the promise of compensation to farmers for the loss of cattle in tuberculosis tests will be implemented, and whether the compensation will be retroactive?

Right Hon. J. G. Gardiner (Minister of Agriculture): Legislation was prepared, and I think it was announced at the last session that it would be brought down. The nature of the legislation was indicated. I presume that the same legislation will be brought down this session. Payments cannot be made until it is passed.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Monday, September 19, consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

(Translation):

Mr. Leon Balcer (Three Rivers): Mr. Speaker, may I be permitted at the outset to congratulate you most sincerely on your elevation to the speakership of this house, a high post which you occupy with so much tact and efficiency. You can rest assured that we opposition members are delighted that the conduct of the all-important debates of this parliamentary forum are in the hands of such an eminent jurist.

Speaking for myself and on behalf of all Conservatives in the province of Quebec, I am also pleased to pay a tribute to the leader of the government. I do it all the more sincerely as I have been a pupil of the Prime Minister (Mr. St. Laurent) at Laval university; needless to say he taught me law and not politics.

Mr. Speaker, I have the honour to represent in this august assembly the constituency of Three Rivers, which has a population of 50,000. It comprises the progressive and industrial city of the same name, as well as seven fine rural parishes.

Three Rivers, the second oldest city in Canada, enjoys the rare distinction of being also the most French of all American cities. Indeed, in my native town, the proportion of French Canadians is 96 per cent.

Located on the great St. Lawrence river, halfway between Quebec and Montreal, Three Rivers is the centre of the beautiful province of Quebec, the very heart of that race of pioneers who, together with the gallant sons

of the British isles, have made of our beloved Canada that great country which is playing today a leading part in the world.

Because of that remarkable historical fact, French-Canadian traditions prevail there in their purest form. My fellow citizens are the prototypes of the French-Canadian minority in this country. As such, they are jealous of their rights and they are anxious to maintain the prerogatives guaranteed to them by the British North America Act.

Moreover, as citizens of the great Canadian democracy, they believe in decentralization of legislative powers.

I have no doubt, Mr. Speaker, that the people of Three Rivers rejoiced when they saw a reference in the speech from the throne to the government's intention of promoting our nationhood to the full extent of constitutional powers.

It is gratifying to know that the government intends to sever the last colonial ties with the British parliament. It is hardly reasonable that a strong and mighty country such as ours should be compelled to appeal to a foreign supreme court, and be unable to amend its own constitution without recourse to the parliament of another country, friendly though it may be.

I wish, however, to point out the fact that the public has been surprised to learn of the government's intention to proceed with these constitutional changes, of such historical implications, during a special session or rather the end of a session. There is then good reason to hope that the government will not rush matters. Canadian history and the jurisprudence of the privy council on our constitutional law indicate that this court has always been a protection for the rights of minorities. It has always played the part of an arbitrator in settling the constitutional differences between federal and provincial governments. I doubt that the supreme court, in its present status, is in a position to act likewise.

The government also intends to request from the parliament of the United Kingdom the right to amend our constitution in regard to matters which do not come within the jurisdiction of the provincial legislatures. The government then proposes to negotiate with the provinces an agreement relating to the procedure to be followed in bringing about in the country itself any further constitutional amendments that may be deemed necessary from time to time.

The people of our great country recognize the importance of solving, through consultation between the parliament of the dominion and the provincial legislatures, our important constitutional problem in order to give our parliament and various legislatures legal and practical means of amending the constitution.

The basis of the controversy lies in the delimitation of powers between the dominion and the provincial governments. If previous attempts to solve this problem have failed, it is precisely because the parties concerned could not agree on the delimitation of powers.

By following the procedure outlined in the speech from the throne, the government intends to decide in advance what matters come within its jurisdiction and what others come within the jurisdiction of the provinces, and then place before the latter a *fait accompli.*

As contracting parties of the British North America Act, the provinces which entered into confederation, thus allowing Canada to grow and become a great nation, must surely be consulted; but they should be consulted before and not after the matter has been settled. The governments of the provinces are entitled to their opinions and it is their duty to protect the rights and privileges which were the very conditions of their joining the confederation of 1867.

We fail to understand why the government intends to proceed in this way, inasmuch as the constitution of a country is the basis of its national unity.

(Text):

Mr. Speaker, it is a great pleasure for me to remind the house that these sentiments in favour of provincial autonomy and decentralization of legislative powers, which are so dear to the people of my riding and to the people of the province of Quebec, do not in any sense indicate isolationism on the part of my fellow Canadians in Quebec. We feel that it is a question of the utmost importance and that confederation is the best safeguard for the minorities in any province. We feel that democracy at its best resides in decentralization of legislative powers and in government that is closer to the public.

For these reasons I am thankful to have as the leader of my party a great Canadian and a great statesman. His past record as premier of that great province of Ontario, as well as the stand he has taken as leader of the opposition on this vital question of provincial rights, qualify him to deal with this constitutional crisis in the best interests of Canada as a whole.

(Translation):

Mr. Speaker, I might say, on the other hand, that when it proposes to consult the provinces in order to extend the scope of the National Housing Act, the government is taking a step which will meet with the approval of the people of my constituency. Three Rivers, which is an important industrial town, suffers badly from lack of housing. Like those of

the rest of Canada, the workingmen of my constituency have to be helped to meet the continuous rise in the cost of living and this appalling housing shortage.

The workingmen of Three Rivers, ably directed by competent employers, have turned our fine city into the greatest paper production centre in the world. They have a right to expect that the present government will leave no stone unturned and will seek the most efficient means of enabling them to house their families in decent, adequate and healthy surroundings.

Mr. Speaker, I thank you for your indulgence.

(Text):

Mr. W. Ross Thatcher (Moose Jaw): Mr. Speaker, in a moment I should like to say something about the statement which the Minister of Reconstruction and Supply (Mr. Winters) made this afternoon about housing. I am sure that every member in the house found his statement interesting, but I am sure most people in Canada found it rather disappointing.

First of all, I should like to join with other hon. members who have congratulated the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the motion which we are discussing. Despite the fact that I did not agree with some of the material they presented, I did think that they performed in an able manner the task assigned to them.

Several days ago I was sitting in one of the parliamentary offices talking to several Liberal members, among whom was the member for Coast-Capilano (Mr. Sinclair). He was rather elated over the election results. I could not blame him very much. I took a good deal of ribbing about the results in so far as the C.C.F. was concerned. During the conversation the member for Coast-Capilano made one statement which I thought was significant. He said, "I do not see how any member—that is any opposition member—after that election can say anything about the speech from the throne". I cannot agree with that point of view. While it is true the Liberal members should be very pleased with themselves, I do not think that they should become complacent. The opposition still has a duty to perform and that is to criticize, scrutinize and examine the legislation which comes before this house.

While it may seem ludicrous, I should like, therefore, to offer one word of admonition to the government early in this session. I believe that, in the huge majority the government has, there are certain dangers which it will be necessary for them to avoid in the ensuing four years if they are a wise government. They should avoid any temptation to try to steam-roller legislation through this House of Commons. They should avoid any temptation to neglect the implementation of the election promises they have made. They should also try to avoid the danger of overspending and overexpanding, which is a natural one in these times of buoyant revenues.

As I said, I do not blame the government members for feeling satisfied, but I was a little surprised when I read the speech from the throne. I thought there was a shade of complacency in it. I draw to the attention of hon. members some of the phrases that were used:

> At home we continue to enjoy prosperity. Investment and employment have remained at high levels. There has been deep satisfaction in all parts of the country.
>
> Relations between employers and employees have, with few exceptions, been satisfactory.

I know I am biased, but it appears to me that speech contains too many platitudes and far too few tangible proposals to meet the needs of the country. In other words, I feel that this speech from the throne is a document of self-satisfaction, not a plan of action.

I refer specifically to the matter of housing, particularly in view of the fact that the minister made a statement this afternoon. I listened to him with interest, because ever since 1945 housing has been one of the most critical problems facing this country. The minister admitted in his speech that housing was extremely critical. A few weeks ago I was surprised to read an item in one of the newspapers about a brief which Central Housing and Mortgage Corporation presented to the Royal Commission on Arts and Sciences. According to the newspaper report, this is what the brief said:

> The housing needs of the Canadian people have never been more critical than they are today.

I suggest that is a significant statement, Mr. Speaker, because the admission was made by the officials of a government agency. This problem of housing is anything but new. Back in 1945 a government advisory committee, I believe the one that presented the so-called Curtis report, stated that about 750,000 new homes were needed in this country. If my memory serves me correctly, it was also stated that an additional 60,000 homes should be built to keep up with the current demand.

What has been accomplished since the end of the war? During the election I heard Liberal speakers and read Liberal advertisements that took great satisfaction from the fact that approximately 275,000 homes have been built since the end of the war. This is a large number of homes. But during that time, many thousands of homes have become obsolete. In that period veterans have been coming home, many of them with war brides. At least 300,000 immigrants have arrived in

this country. Many young Canadian couples got married. The Minister of Reconstruction and Supply (Mr. Winters) said today that he hoped 100,000 homes would be built this year. More than that number of couples in Canada were married during the past year.

I say therefore, Mr. Speaker, that far from catching up with the backlog of housing, we are going behind. I do not think I am exaggerating when I say that, so far as housing is concerned, we are in a worse position today than we were in 1945, and yet the minister comes in with a proposal such as the one he made today. Whether we like to admit it or not, in many of our urban centres, slums, overcrowding, evictions and frustrated lives are ever more prevalent. I think that is true even in some parts of Ottawa. I ask any hon. member of this house whether it is reasonable that in a country where there is so much lumber and so much brick and mortar, so many hundreds of thousands should be without homes. What has the government promised in this respect?

I remember hearing speakers from the Liberal party say, back in 1945, that every veteran was entitled to a good home. I heard them say that under the National Housing Act houses would be available to Canadians for as low as $9.58 per month. In this recent election campaign the Prime Minister (Mr. St. Laurent) himself made a radio speech on March 19 in which he said:

> We are not going to be satisfied until decent housing is provided for every family.

Then the minister of reconstruction (Mr. Winters) brings in a scheme like the one he brought in today!

The speech from the throne contained only casual reference to housing. It stated that the scope of the National Housing Act will be broadened. A few weeks ago the minister of reconstruction made a trip across Canada, as he put it, to study the housing problem. He talked with the various provincial authorities and I congratulate him on the initiative he showed in taking that trip. But what were his conclusions? What was his solution? Are we to take it that what he offered us today is his solution to the housing problem? I do not think the minister himself would be so naive. Here is a report of what he said in Regina, the capital of my province. I quote from the Regina *Leader-Post* of August 23:

> As yet there has been no definite solution to the housing problem but the federal government was not looking for any such solution immediately, he maintained.

Mr. Speaker, was there ever made by any cabinet minister a franker admission of government inaction in the face of a pressing problem? Then the minister of reconstruction is quoted in this manner in the same interview:

> The housing picture in Canada has not deteriorated during the past year . . . The housing situation held its own in Canada during the first half of 1949 and will probably continue to do so in the last half.

Is that not imagination? Is that not boldness? How gratifying to the people of Canada who have been living in one or two rooms maybe since 1945, how gratifying to the veterans who have come back from the war to live perhaps in some kind of hovel, to know that the housing problem is no worse this year than it was last year? What kind of solution is that, Mr. Speaker?

Then the minister of reconstruction went on and said, "After all, this matter of housing is constitutionally a provincial problem; it is really not our concern." I do not think there is one syllable in the constitution which would prevent the federal government from giving large-scale financial aid to the provinces or to the municipalities in order to finance subsidized low-rental housing, in the same manner as they have done with unemployment insurance and with old age pensions. This afternoon again I heard the minister say something about the constitution and the problem being the provinces' responsibility. But I say that the time has come in Canada when the government can no longer shirk its responsibilities on housing by mumbling legal incantations, by talking about the constitutional difficulties involved under the British North America Act, and by chattering about what some other government should do. Of course there is only one answer to the housing problem, and that is not the answer which, unfortunately, the minister gave us this afternoon.

The minister's statement is no solution at all to the housing problem, and I think every hon. member in this house realizes that. I think it is going to cause bitter disappointment in the country. The minister stated that the problem was acute. He told why it was acute. He admitted that there is a great shortage of housing. Then he went on to state that now is not the time to proceed with a large-scale housing project. Why is it not the time? When is it going to be the time? The main proposal made by the minister, if I understood him correctly, was that there would be a reduction in the down payment made on houses in certain housing projects. That means a lower initial payment. I think that is all right, but that is no solution, because it will simply mean a higher annual carrying charge and it is no relief for the average worker, who is too poor to make even that lower initial payment.

I suggest, Mr. Speaker, that the minister

is in fact continuing a do-nothing policy. By further trifling with small-scale experiments and handouts, such as he has announced today he has, knowingly or otherwise, betrayed the desperate hopes of many Canadian families. I suggest that he is today once again trying to pass the buck to the provinces and to the municipalities instead of coming to grips with the problem of housing. I cannot understand the objection of the minister to a public housing project. Surely after four years he should realize that private enterprise cannot by itself adequately cope with this problem. I cannot see why he or the government should hesitate to supplement private enterprise, on a large scale, with state spending if it is necessary.

There is one other quotation which I should like to place on record before I leave this subject. It is the quotation of a statement made in Montreal on August 31 by a national mayors' association, which is as follows:

A national mayors' association Tuesday charged the federal government with failing to live up to its pre-election housing promises and said the minister chiefly responsible was maintaining a "do-nothing" policy.

The powerful federation of mayors and municipalities, composed of mayors and reeves in most towns or cities, said in a prepared statement that the government should "face facts."

This is not a C.C.F. mayor that is talking, I may say. To continue:

It said Reconstruction Minister Robert Winters, responsible for federal-provincial housing co-ordination and recently returned to Ottawa from a national tour, had established a "do-nothing policy." Canadians, it said, would be "greatly disappointed if the only result of the recently-concluded trans-Canada 'housing' tour is to be some sort of federal-provincial arrangement to reduce the required down payment for home purchasers."

I say that all the people of Canada will be disappointed at the inadequacy of the solution which the government today offers for this acute housing problem.

There is only one other matter that I should like to mention in this throne speech debate. It has to do with the problem of irrigation in the province of Saskatchewan. I think the fact that the throne speech did not contain one word about that irrigation project should cause concern not only to the west but also to those in the east who have to sell a good deal of their products in the west. As we heard in the debate last night, and as hon. members will now know, in the province of Saskatchewan drought conditions are prevalent in the southwest corner. Once again we are seeing grasshopper plagues and dust-bowl conditions, and I think it is fairly well conceded that the irrigation project which has been proposed would alleviate those conditions. During the last election campaign the Minister of Agriculture (Mr. Gardiner) once again trotted out his perennial but somewhat moldy promises on irrigation which he has made so often in the past. We heard him speak in many places of the millions of dollars which were going to be spent on irrigation. For instance, speaking at his own nominating convention, according to the *Leader-Post* of April 21 he is reported as follows:

He said Prime Minister St. Laurent is convinced the only way to "bring the west into its own" is to start irrigation projects.

Then the Prime Minister himself came out and, speaking in Saskatoon, said, according to the *Leader-Post:*

Mr. St. Laurent said the drouth of the thirties taught us the absolute necessity of conserving water and restoring and maintaining moisture on the prairies.

He also said that three major conservation projects, including the south Saskatchewan project, were under active study.

One of the chief lieutenants in Saskatchewan of the Minister of Agriculture, who I believe is with the P.F.R.A., just before election time made a statement which was quite significant. I quote from the *Leader-Post* of April 21:

"An intensive survey of engineering and economic aspects of the South Saskatchewan irrigation and power project will begin immediately, L. B. Thomson announced in Regina Wednesday . . . This is an action program."

Where is the action? Why is it not in the speech from the throne? Then the hon. member for Regina City (Mr. McCusker) made a statement regarding irrigation. I should like to welcome the hon. member to this house. I think he will be a real asset to the chamber. Naturally, in a political way, I would have preferred his predecessor. Since that is not possible, I know that the hon. member for Regina City will make a valuable contribution to this house. According to the Regina *Leader-Post,* the hon. member had this to say:

As your elected Liberal member for Regina in a Liberal government at Ottawa, I would use every resource at my command to get immediate action on a new water supply.

I hope to see him get that action pretty soon; I hope the pressure is a little more effective than some of ours has apparently been. Therefore I say, Mr. Speaker, that in the last election speaker after speaker brought in plans for this proposed irrigation, and to dam the south Saskatchewan river. This is not the first time, because in every election in the past twenty-five years the Liberal party has used as one of its main election planks this irrigation project. For instance, here was their 1945 election pledge, carried in a page advertisement in the Moose Jaw *Times-Herald* of June 9:

The South Saskatchewan irrigation project will be commenced immediately men and material are available—it has been approved.

Surely that promise was specific enough; surely that was concise enough. There were no qualifications in that. Four years have gone by and still no action. I remember in the last by-election when the hon. member for Rosthern (Mr. Boucher) came into the house. The leader of the provincial Liberal party was lavish in some of the promises which he made and I quote a Canadian Press dispatch of a speech which Mr. Walter Tucker made at Hanley, Saskatchewan:

Walter Tucker, Saskatchewan Liberal leader, said last night the fact that two federal cabinet ministers have expressed a favourable attitude toward the South Saskatchewan river irrigation and power project in the Rosthern, Saskatchewan, by-election campaign has contributed to make this one of the main campaign issues.

It is "now up to the people of Rosthern to give their endorsement by electing William A. Boucher, Liberal candidate, if they want the project proceeded with."

The people of Rosthern, in their wisdom or otherwise, have done that. Therefore I ask, what is the government waiting for? How long is it going to take to get started? I might point out that this irrigation project is self-liquidating. It would pay for itself over a number of years. It is necessary; it is something that is urgently needed today in the province of Saskatchewan. It is quite true that according to the minister's figures it would cost about $100 million. That is a lot of money, but surely that sum fades into insignificance when you compare it with the amounts which were spent on relief in the depression days in that area. Surely that sum fades into insignificance when you compare it with the dollars which were spent in a few days during the war for destructive purposes. I suggest that the sum fades into insignificance when you compare it with the advantages which would accrue to the province and to this nation if construction was completed. Therefore I think that the people of Saskatchewan will deprecate the fact that in the speech from the throne no mention has been made of this south Saskatchewan irrigation project. I admit that I am biased, but I think it is a national tragedy and a national disgrace. I could go on, Mr. Speaker, but I do not want to take too much of the time of the house. In my opinion there are many other shortcomings in the speech from the throne. I was sorry to note that there was no mention of an over-all health program, no mention of any lowering of tariffs, and no mention of more action on control of prices in view of the recent devaluation of the dollar. No mention was made of any reform of the other house. It was rather funny the other day to notice that when they wanted a Conservative senator for the opening ceremonies they could not find one. I suggest to the Prime Minister that I would much prefer to see the other house abolished; but, failing that, perhaps it might be a gesture on his part, which would be appreciated by the country, if he would appoint some senators from parties other than his own. I for one would like to see the former leader of the opposition, Mr. Bracken, appointed, and if the Prime Minister wants any other nominees I shall be glad to suggest some other individuals.

There is one other matter which I think should have been mentioned in the speech from the throne. No plan was made of specific "on the shelf" work projects to take care of unemployment in the event of a depression. We heard quite a good deal about that in the last session. Thus I had hoped that something tangible would be done during this session.

To sum up, Mr. Speaker, I say, as I said earlier, that the speech from the throne is a document of self-satisfaction and not a plan for action. I do not think it is one which will inspire confidence in the people of Canada that the government has found a method, or has plans, to alleviate economic recessions when they come.

Mr. Daniel McIvor (Fort William): I feel it a great honour to represent again a constituency which is as progressive, as liberal, and as intelligent as the city of Fort William. Before I forget it, I would first congratulate the chief of the protective staff of this house. The other evening an important lady lost a parcel that meant a lot to her. I had the pleasure of reporting the matter to the chief and along came the parcel in a short time, and the chief would not even take a treat for his staff. That shows the efficiency of your staff, Mr. Speaker.

Because I am a reformer there are certain things I think should be changed in this house. First, the Prime Minister (Mr. St. Laurent) is a very important personage. I think it was beneath the dignity of this house that when he came to Ottawa he had to go house hunting. We have a home for our governor general; we have a home for our lieutenant governor; but our Prime Minister has to hunt a place of comfort for himself. It is not in keeping with the dignity of this house that the Prime Minister should have to bother his head as to where he is to live; a place should be made ready for him. You will hear more about that later on, Mr. Speaker.

Another thing I thought I should like to see is a group of loudspeakers to aid those who are not like me, fortunate enough to hear everything comfortably. Away over yonder it is almost impossible to hear; therefore loudspeakers should be installed as soon as

possible, and according to rumour there is something moving. We invite the public to come here. Why should they not hear? Why should the press gallery not hear? They should be allowed to hear everything that goes on, and I can tell you, Mr. Speaker, that there is little said in this house that is not worth hearing.

There is another thing I should like to suggest, and I did not see it when I came here today. When our Speaker stands up and leads this house in prayer that prayer is confined to the members. We do not let the press gallery or the public hear it, and that is not in keeping with the teachings of Him Who said, "whosoever will may come". And dear knows, if we need it the general public would be very much helped if we opened the doors at the opening of the house each day. The house will hear more about that later on.

There are two things which concern us greatly at the head of the lakes. First I would pay my tribute to the young Minister of Reconstruction and Supply (Mr. Winters) who gave today his report on housing. I have admired him for a long time, not only as a baseball player but as a tennis expert and an all-round athlete. And I see that in his activities as minister he is putting just the same punch into his work that he put into a game—and the other fellow found it out. Therefore I pay my tribute to him for his splendid report on housing.

This is one of the problems which has troubled us at the lakehead. The other day I tried to get a house for a young father and mother with two children, and I was told there were seven hundred applications ahead of them. Just think—seven hundred of them! The report the minister made today shows that now it will be possible for a man who saves a little and gets a down payment to own his own house—and that is something every young man and woman should do. They should own their own homes, and have a stake in the country.

I was greatly interested in what is being done by an Ottawa firm of bakers. The Morrison-Lamothe bakery has a scheme, which might be practised with great profit throughout Canada, under which they are helping their workers to own their own homes.

I sincerely trust that the minister will not lift rent controls. Recently I got an earful from a citizen with an office in a commercial block. He said to me, "You lifted control on these blocks, did you not?" I said that I did not do a great deal about it, but that I supposed I voted like the rest, and thought it was necessary. "Well," he said, "our rent has just gone up by 172 per cent." If rent controls are lifted in respect to private homes, then we may pity those who cannot get a house, particularly if it is in a winter season. Therefore I hope that rent controls will not be lifted.

Another thing which is interesting us at the head of the lakes is the building of a pipe line. In Alberta there are tremendous quantities of oil and gas. Last session we enacted a law giving permission for the building of a pipe line. We believe we should own and control all our resources, and the people at the lakehead are much concerned about the pipe line. Perhaps they do not thoroughly understand the details, but they would like to have them. In this connection I should like to read from page 29 of *Hansard*, where a question was asked by the hon. member for Moose Jaw (Mr. Thatcher) and a reply given by the Minister of Trade and Commerce (Mr. Howe). The hon. member for Moose Jaw asked why the line was to be built to Superior rather than to Port Arthur. The minister's reply was this:

> I have received representations from Fort William and Port Arthur, as well as from a number of surrounding municipalities. I should like to point out, however, that by virtue of the pipe lines bill which was passed by the House of Commons at the last session, all jurisdiction over the routing and location of pipe lines was placed in the hands of the board of transport commissioners.

Therefore the Minister of Trade and Commerce had practically no say as to where it would be. He continued:

> The board held hearings at which representations were received from the lakehead, and a decision of the board has been rendered approving the route as filed by Imperial Oil Limited.
>
> Mr. Thatcher: Has the minister issued a licence to this particular company to export oil?
>
> Mr. Howe: Yes. The Department of Trade and Commerce, as a matter of ordinary routine, has issued a licence under the Electricity and Fluid Exportation Act, which permits the company to export oil for re-import into its refinery at Sarnia.

There is a refinery at Regina, and it is understood that business would not justify another refinery at Winnipeg or Fort William. If the pipe line were to run from Winnipeg to Fort William it would delay the project for two years. There is no sign yet of the building of a refinery at Duluth, but just as soon as Sarnia has more oil than it can use, I am sure Canadians would like Americans to buy our oil.

The matter of social security has been bothering us somewhat at the lakehead. I commend the Minister of National Health and Welfare (Mr. Martin), who is not here, for the splendid work he did at the last session in bringing aid in the matter of hospitalization, through the help of provincial governments across Canada. It has enabled us to go ahead with much needed building projects.

I was amused on Monday when the leader of the C.C.F., the hon. member for Rosetown-Biggar (Mr. Coldwell), seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), introduced an amendment condemning the government for not at this time having passed a bill supporting old age pensions. How could we have passed a bill before the speech from the throne was passed? Give us a little time, Mr. C.C.F., and we will show you.

Mr. Knowles: But you voted for the means test.

Mr. McIvor: I have said often in the house that I am just as much interested in old age and other pensions as anyone else, and I will not stop until every last one who cannot earn a living may have a home, bread and butter to eat, and clothes to wear. But I do not think I would be justified in supporting increased old age pensions until those who are suffering from arthritis and other incurable diseases receive pensions equal to those received by the aged. I have said before that if the Liberal party holds office long enough in the House of Commons the restrictions will be lifted, and there will be pensions of $50 a month for our aged citizens.

There is another side to this matter. I know a prominent member of the House of Commons who paid into a pension scheme for thirty-five years, but his pension will not be more than the old age pension. Therefore I say that the sooner the Minister of National Health and Welfare can bring in a national contributory pension scheme for all Canada, the better it will be for everybody. The man who is earning his living may get a little more than he needs to spend, and he can buy a little less gingerale so that he may be able to put those savings into a pension fund or scheme which will give him a decent pension in his old age. In my view that is absolutely necessary.

I was pleased to hear the Minister of Mines and Resources (Mr. Gibson) make the statement he did today with respect to gold. I have not forgotten the last depression. Had it not been for the mines north of Port Arthur and Fort William there would have been many more people out of work than there were at that time. The mines created a lot of work, and our boys were glad to leave home to get it, because they needed the employment. We hope that the action taken will stimulate gold mining.

In gold mining, however, the forgotten man is the prospector. I have on the order paper a resolution recommending that when a prospector makes a find, a geologist be sent in. If it is found to contain gold or some other valuable mineral, then it should be investigated and developed, and when the mine is in operation the costs will be taken out of the returns from that operation.

There was something else before us for a day or two, and that is the suggestion, in connection with the royal commission investigating radio, among other things, that radio licence fees would be increased from $2.50 to $4 or $5. I shall have to have much more information than I now have before I will vote for an increase in the radio licence fee. For farmers all over the country with battery sets such extra cost would be a hardship. Members of the House of Commons with their large salaries can afford to pay a fee of $5 instead of $2.50, but it would be a hardship on a man who is making just enough to live and who has very little to spend. I would be willing to pay $5 if only for the enjoyment of hearing the hockey announcements and the good that is derived from the Sunday services that are broadcast, but I am not prepared to support any increase in the fee until I have more information.

As I indicated last year, we at the lakehead are trying to take care of our youth. I think Fort William is setting an example in the way it is looking after the boys and girls, both summer and winter. We have supervised playgrounds all over the city for boys and girls and we provide swimming pools for everyone, including the little tots who can just wade in the corner. There are paid supervisors on duty all the time. When winter comes, and we are glad to see it come, there are about 28 supervised hockey rinks where the boys and girls can play hockey, and alongside those rinks are other rinks for skating only. We believe that we must take care of our boys and girls if they are to have common sense pounded into their brains. When a boy or girl is taught to go to his or her own church or place of religious instruction then he or she will play a better game throughout life.

We did not have a swimming pool in ward four of Fort William, although there was one downtown. The people in that western section felt that there should be another swimming pool available, but the city did not have the money and apparently the dominion or provincial governments were not ready to spend any locally. The young men of that district took the matter in hand and through efficient organization and some aid from the city they built one of the finest outdoor swimming pools in Canada. If any hon. member wants to have a real swim I would be ready to take him to that swimming pool, in the summertime of course. It is an example of what a group of unselfish, willing workers can do, and I pay my tribute to them.

There are certain local matters that we are asking the government to consider. There is a river that needs to be lowered at its mouth, and a breakwater is needed in front of island No. 2. But these matters will be brought up later. At this time I want to congratulate all hon. members who were fortunate enough to be elected. I should like also to congratulate the leader of the opposition (Mr. Drew), the leader of the C.C.F. (Mr. Coldwell) and the leader of the Social Credit group (Mr. Low) on the splendid speeches they made at the commencement of this debate. They have shown the rest of us that long speeches are useless. When they were finished they sat down, which I think is in keeping with good parliamentary procedure. I thank you for your courtesy.

Mr. W. J. Browne (St. John's West): Mr. Speaker, as this is the first time that representatives of Newfoundland have taken seats in this honourable house, and as we have been welcomed in the speech from the throne, I do not think it is inappropriate that one of us should address the house upon the general issues now under discussion. Everyone has seemed so genuinely glad to have us here; and, as we have been treated with such universal kindness and courtesy, I would deem it ungracious if some one of us did not make suitable acknowledgment of that treatment. I am deeply conscious of the unique honour that has been bestowed upon me and, if I may say so, it is somewhat ironical that I, who fought confederation as long as I could, should be the one to whom this honour and privilege have been given.

I hold no brief for the other hon. members from Newfoundland who sit in this house, but I believe that I speak what must be in their minds when I say that we are all impressed with the elaborate arrangements that have been made by the people of Canada for their legislators. This beautiful Gothic structure, so medieval in its architectural style and so modern in its appointments, must be one of the glories of Canada, where legislation should be brought forward and fully discussed and passed in excellent style. It should be regarded as the highest honour that can come to any man to be selected to come here and help pass the laws of his country. It should be his proudest ambition and his fondest hope that by the excellence of her laws Canada should become ever more worthy of the respect and admiration of the other nations of the world.

During the past few days we new members have witnessed the zeal and the interest and the fervour displayed by the older members of the house. While it arouses in our timid hearts a feeling of envy, yet I think it also stirs up in us a spirit of emulation of their behaviour. I should like to congratulate you, Sir, upon your elevation to the high office that you hold. A couple of days ago we were presented with great volumes of rules and standing orders that could not help but strike terror into our hearts. So much so that we would have been too timid to address you if it were not for the fact that we have been greeted with such charitable encouragement by the members of all parties. For this we are truly grateful.

In accordance with the long-established practice, I should like to congratulate the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing) on the fine speeches they made when carrying out a most difficult task. As I listened to the hon. member for Nicolet-Yamaska I found that what he had to say was most interesting. I trust that other hon. members found his remarks stimulating because in my opinion he put forward the true opinion which every hon. member ought to have of the importance of agriculture to this country.

Agriculture is the most important industry in Canada. The ideal which he expressed, and which found an echo in the statement of the hon. member for Kootenay West (Mr. Herridge), that people should follow agriculture, not as a profitable and large industry, as it is becoming in so many places, but as a way of living, is, it seems to me, the proper one, one which has received the highest praise from no less an authority than His Holiness the Pope.

Since, unfortunately, agriculture has been neglected in Newfoundland, and as I have advocated the fostering of agriculture for so many years and written many articles about it in our local magazines, I trust it will be one of the first tasks of the Minister of Agriculture (Mr. Gardiner) to see to it that as soon as possible some of these fine experimental stations that are operating in the other provinces of Canada will be set up in Newfoundland, in order that our people may have demonstrated clearly to their eyes how in agriculture they can find a way to a happy and comfortable form of living.

As I listened to the hon. member for Vancouver South (Mr. Laing) speak of his beautiful province I dreamed of a land where it was always afternoon, but when I heard the hon. member for Macleod (Mr. Hansell) speak of the fogs and the heat waves that repelled him when he visited there, and yesterday when I heard of the vicious pests and the curious diseases that afflicted the fruits of that province, I felt that after all Newfoundland was not such a bad place.

Our island, Mr. Speaker, has its places of beauty that stir our hearts and make us love her. We have our historic landmarks where in days gone by the two great pioneer races, the French and the English, fought for the mastery of this continent. In my district there is St. John's, and despite what the hon. member for Cape Breton South (Mr. Gillis) may say, St. John's is the place where Cabot discovered the new world in 1497, where in 1583 Sir Humphrey Gilbert laid the cornerstone of the British empire. In my district there is also the little settlement of Ferryland. Those who followed the election contest in St. John's West may have heard of it. Ferryland is a very historic settlement because it was there that Lord Baltimore first made his attempt at colonizing the new world. It was there that Sir David Kirke, the conqueror of Quebec and the captor of Champlain and the saintly Breboeuf, set up a grog shop when he had fallen upon evil days.

In the same district we have the beautiful settlement of Placentia, which was once the French capital and came under the ecclesiastical jurisdiction of Quebec and the saintly Bishop Laval. The people of that place are still proud to call it the ancient capital. Nearly one hundred years ago the sisters of the Order of Presentation came from Ireland and set up their schools there. Personages prominent in the social, political and ecclesiastical life of our country were born there. The present Archbishop of St. John's, who has presided over his See for thirty-four years now, was born there, and his coadjutor archbishop, whose early death a few days ago was lamented by so many, was also born there.

St. John's West has other features of interest besides its beauty and its historic monuments. I believe many members of the house have visited St. John's and know what an important naval base it was during the war. They know the strategic value of Newfoundland. It has always been of great strategic value, and it was the possession of Newfoundland that gave Great Britain a real chance to conquer the western world. A few miles from Placentia there is the great naval base of Argentia where President Roosevelt and Prime Minister Churchill met during the war and signed the Atlantic charter.

I am proud to be the representative not only of the industrious fisherfolk of the districts of Ferryland, Placentia and St. Mary's, but also of the people of St. John's.

If I may revert to the proceedings of last Thursday afternoon, some hon. members from Newfoundland must have felt a certain nostalgia when they witnessed the scenes of a few days ago, because if it had not been for confederation perhaps we might have been witnessing them as the hon. member for Grand Falls-White Bay (Mr. Ashbourne), the hon. member for Bonavista-Twillingate (Mr. Bradley), and I witnessed them together twenty-five years ago when we sat in the same house.

I know that hon. members heard a great deal about Newfoundland in this house in the early part of this year and also last year, but I trust that they will forgive me. I do not intend to tell a prolonged story, but very briefly I wish to review the important facts and incidents that led up to our presence here today. The people of Canada, especially those who live in the western provinces, know the effects of the 1929 stock market crash. We did not feel them until 1931 when the government of the day was suddenly surprised to find that they could not borrow any more money. Then there was a wonderful to-do. Everybody tried to economize, to cut down salaries, and all kinds of expedients were adopted to save the country's economy. In 1932 the storm broke with a vengeance. There were riots; people stormed the House of Assembly where the members were in session. The government was forced to hold an election.

In the avalanche that overtook the government a new government was elected of which I had the honour to be a member, and although we strove manfully to restore the shaken fabric of our country, it was impossible. A royal commission, on which there were two Canadian representatives and one Englishman, decided, after having considered every kind of solution, even confederation—the government of Canada was not prepared to accept Newfoundland into confederation—that a form of government which had been tried once before in Cromwell's time, namely a commission of government, should be introduced into Newfoundland with three Newfoundlanders and three Englishmen, and presided over by His Excellency the Governor.

We had great hopes that when politics were set aside our people would be united in a great effort, and we would quickly restore our country's prosperity. Unfortunately that did not happen, and although on the whole we got fairly good government, it was not until 1941, with the arrival of the United States troops, that things began to change. The construction of those great bases at Fort Pepperell in St. John's and at Argentia in Placentia bay put hundreds of millions of United States dollars into Newfoundland and quickly restored prosperity so that from that time, as hon. members know, Newfoundland was prosperous, had millions of dollars to her credit, and was able to lend Great Britain the sum of $14 million.

It was a condition of the appointment of the commission of government that respons-

ible government should be restored when the prosperity of the country was on a sound basis. This was not done. It is easy to understand our people becoming apathetic and lethargic. They were living well, nothing was troubling them, and they did not bother about politics any more. Nobody took the initiative strongly enough to put forward representations for the return of responsible government. At last the initiative was taken by the British government, which decided that it would hold a national convention. Forty-five members from forty-one districts in Newfoundland and Labrador sat in the convention in St. John's. They met on September 11, 1946, and for sixteen months they discussed all the various features concerning Newfoundland's economy and her political future.

Hon. members, I am sure, are aware that the delegation which was sent to England from the convention returned discomfited. A delegation was then sent to Ottawa and returned. In October, 1947, a letter was received by the Governor of Newfoundland from Mr. Mackenzie King laying down the terms upon which Newfoundland would enter confederation. Beyond those, he could not go. A firm of chartered accountants in Montreal found that the new province would have a deficit of over $4,000,000 per year if those terms were accepted.

Later on, after the convention had turned down confederation, and the elections were held, another delegation came and the terms were changed. But let me tell you what happened in the convention, because I believe it should be known. By a vote of 29 to 16 the convention decided it wanted responsible government restored. The chairman said we could not have that alone on the ballot. Two things had to be put on the ballot, so it was decided to put on "commission of government" which no one in the convention wanted.

When the convention was closed the Secretary of State for Dominion Affairs in England said that the question of confederation had occupied so much of the time of the government members in Ottawa and had been so fully discussed in Newfoundland that the people should be in a position to vote on it. He believed, therefore, that they ought to have the right to vote on it, and that was done. The first referendum was carried out and there was a majority of five or six thousand in favour of responsible government. Commission of government was removed from the ballot, a second referendum held, and confederation won by a majority of approximately six thousand.

After that, we had more elections. I do not wish to go into the question too fully, but elections were held. Now, sir, it is only reasonable to believe that if an event of such tremendous importance to the people as their future government is to be considered, then elected representatives should be the ones to consider the problem. Who was considering the fortunes of Newfoundland last year? A commission of government not elected by the people—in fact, some of them had been rejected by the people.

If there were to be negotiations with this great country of Canada, at what a disadvantage were our people when they had to pick men off the street and send them up here without the necessary prestige which the members who represented the government of Canada possessed? Contrast that situation with what occurred in 1895 when the delegation consisted of Mr. Bond, Mr. Morris, Mr. Emerson and Mr. Horwood. Mr. Bond afterwards became the Right Hon. Sir Robert Bond; Mr. Morris became Lord Morris, and Mr. Horwood was later knighted and made chief justice of the country. These were the finest men we had in the country who were sent up here at that time. Does it not stand to reason that, if a country is to be properly represented, this is the type of man we should send? Inexperienced men were sent this time and the right hon. the Prime Minister and his government must have seen they had a tremendous advantage in debating power over our so-called representatives.

Now, sir, I have stated to my constituents that if I was elected to this house I would ask someone on the government side to explain to me and to the people of Newfoundland—because it has not been explained as yet —what the principle was upon which the financial terms were decided in 1947 and in 1948. For some little time, sir, I have studied the question of confederation between the various provinces of Canada. As hon. members know, the principle adopted at that time was that the per capita debt of Canada and the per capita debt of the provinces were the bases upon which the financial terms were settled. That was the principle which was adopted in 1895, and that was the principle upon which the discussions had taken place at an earlier date.

I have before me the sessional papers of Canada for 1895. I will read from the memorandum the terms proposed by Mr. Mackenzie Bowell, the Prime Minister of Canada:

> Canada will assume of present debt of Newfoundland, $8,350,000.
>
> Canada will assume an excess of debt over the $8,350,000 amounting to $2,000,000, a total of $10,350,000.

The deduction is very simple. This is equal to $50 per head of Newfoundland's population of 207,000. On the excess of $2,000,000, Canada was to pay interest at five per cent per annum. In 1895, the position was that

the per capita debt of Canada was $50 per head. Newfoundland's debt was $15,000,000, or $75 per head. The government of Mackenzie Bowell refused pointblank to accept any further responsibility because of the fear of repercussions in the other provinces of Canada.

On April 16, 1895, he wrote to the Earl of Aberdeen as follows:

> Referring to our conversation of yesterday afternoon, I enclose herewith a memorandum showing the financial aspect of our negotiations with the Newfoundland delegates, from which Your Excellency will learn the difficulties that lie in the way of our acceding to the full request of the representatives of that colony. If these figures and explanations are not sufficiently clear and elaborate, kindly let me know, and I will furnish any other that Your Excellency may require.

His idea was that Great Britain should assume the debt of $5,000,000. It was because of this that negotiations fell through.

After the referendum had been taken in 1948 and the people had by a majority endorsed the policy of confederation, a delegation was sent to Canada. This delegation was in a position, because those who opposed confederation in Newfoundland had shown it beyond any shadow of doubt, to say that the terms proposed by the Right Hon. W. L. Mackenzie King were insufficient. The terms were then improved, but have we been given a permanent grant to make allowance for the difference in the per capita debt of the two countries? What is the per capita debt of Canada today? Is anyone in this house in a position to tell me? Is it $1,000 or $1,400? The per capita debt of Newfoundland last year was $200. The per capita debt of Canada was seven times as great. Does that not mean that the people of Newfoundland have now taken upon their shoulders this tremendous burden of Canadian debt? The per capita debt of Newfoundland is not now $200 but $1,400.

I doubt very much whether, under those terms, the people will be able to continue. They have been given an increased transitional allowance. I made a calculation of the amount of revenue which was left to Newfoundland after income taxes were taken away, after customs duties and excise taxes were removed. According to the figures supplied by the black book published by the dominion government, about $1,000,000 remains to Newfoundland. Of course, we were given a grant of $6,000,000 instead of the income tax, but that only brings Newfoundland's revenue up to $7,000,000.

The cost of operating public works alone over the last ten years has been about $10 million a year, public health between $6 million and $7 million a year, and education in the neighbourhood of $5 million a year. What we shall find now is that the poor deluded people of Newfoundland will be told that they must find other sources of revenue. In the various districts, in Placentia and St. Mary's, and in the districts that my hon. friends from Newfoundland represent, the people will be told, "You cannot get this money to spend on education now. We have not got it to give you. You will have to find it yourself. You must do what is done in the other provinces of Canada where fifty per cent of the money for education, health and welfare, and public works comes from the people directly through direct taxation." We have not been accustomed to that form of direct taxation. It is only those people whose salaries are in the higher brackets, men who pay income tax, who have been accustomed to direct taxation. The majority of our people on small incomes have been accustomed to contribute to the revenue in an indirect manner.

I told my constituents that I would ask some spokesman from the government side to explain the principle upon which the financial terms of the agreement were settled. We come here now—at any rate, I do—to seek justice and an amelioration of these terms. If our leader had been elected at the head of a party in the majority, I believe we would have had a good chance, if we could put forward a just case, for the amelioration of these terms. It may be asked what our attitude will be. I am sure hon. members must be curious to know what will be the attitude of those of us who fought hard against confederation, who were opposed to confederation in principle, or who were opposed to the means by which it was brought about, or who were opposed to the terms which were inadequate. Having given careful thought to this important matter, I should like to say that we accept the fact of confederation and that, in the interests of peace, harmony and unity, we shall work for the welfare and benefit of the country as a whole. But, Mr. Speaker, we shall always look for and expect just treatment on the part of the government.

I now wish to refer especially to two matters mentioned in the speech from the throne. The first is the trans-Canada highway. As you know, Mr. Speaker, for various reasons our country is sparsely populated and our people are interested mainly in the fisheries which surround that island, with its thousands of miles of inlets and bays. The interior of the country is hardly developed. Nevertheless, we have built over twenty-five hundred miles of roads. It is true that not all of them are first-class roads. Most of them are far from second-class. But we have the beginning of a trans-insular highway. Less than two hundred miles of roads remain to be built to link up the east and the west. If

the road is built from Port aux Basques even to Corner Brook it will open up perhaps the richest part of our country and the most attractive part from the tourists' point of view. All the beautiful salmon rivers to which so many United States tourists come every year will then be open to them to drive along. Further than that, I believe that it will open up good land. Land will be accessible and people will be able to get easily to the markets and to the railway. If this road is built in our country, and I trust that it will be, and if the Minister of Agriculture (Mr. Gardiner) takes the interest that I hope he will take in our country, I believe the country will make some progress.

But there is another feature about the system of highways in Newfoundland to which I should like to direct attention. This devaluation of the pound will have serious repercussions on our principal exports; and we are a large exporting country in proportion to our total trade. We send to Europe fish for which we have been paid in sterling, now blocked on the other side. We send iron ore to England. Before the war we sent a great deal of ore to Germany. We send paper to England. I saw in the newspapers only today statements by the managers of the two paper companies at Grand Falls and Corner Brook expressing serious concern at the situation that has now arisen. The manager at Bell Island says that it is going to create new difficulties in the exportation of their ore. That is another reason for the difficulties. But the first reason, which I did not mention, was that already there has been a sort of depression in Newfoundland. I will not blame it on confederation. I think I would rather blame it on the Liberal victory. The rosy promises that were held out about the boom that was going to take place and the prosperity that was going to be everywhere have not been fulfilled. Family allowances are a good thing. I think I was the first one in Newfoundland to advocate them. If our own responsible government had been restored to us when it should have been restored I believe we would have had family allowances before you did in Canada, Mr. Speaker. But these things are not sufficient to make up for the people over sixteen and under seventy who are out of work. We need employment; we need development in agriculture; and we need prosperous fisheries. This year in many places the fisheries have been far from prosperous. Already there has been curtailment in work in the woods. Lumbermen have been sent home earlier than usual. There is to be curtailment in the manufacture of sulphite pulp in Corner Brook. It will be seen what all these things add up to, namely, that the government of the province of Newfoundland from its inception is faced with extremely serious financial and economic difficulties.

There is one other thing in the speech from the throne to which I should like to make reference and it has been extensively referred to here today. I refer to the housing situation. I intend to mention some examples of housing in various places, and first of all I shall mention housing in Ottawa. It is regrettable that so distinguished a person as the Prime Minister (Mr. St. Laurent) should find it difficult to get a place to live. I think it is really pathetic, and it is not worthy of this country that he should be placed in a difficulty of that kind. But anyone who picks up the Ottawa papers and reads the advertisements of "apartments wanted" will find a situation that I think is un-Christian. We find such examples as these: "Quiet young couple with no children", "Married couple with no children seek apartment", and so on. Several advertisements point out the fact that the seekers for accommodation have no children. Last summer in Trepassey, a little settlement in my district, I met a lady who was married in Toronto. I said, "I thought you were living in Toronto." She said, "No, I had to come home. For four months I walked the streets of Toronto looking for a place for our family, and everywhere I went I was asked, 'Have you any children?' I said 'yes.' I was then told, 'Sorry, we do not take families with children'." She said to them, "What am I supposed to do with my children? Shoot them?" I hope in a moment to make reference to this matter again. But it is not surprising that the government is criticized for its failure with regard to the housing problem when I saw an advertisement like this in the paper a couple of days ago under "apartments wanted":

> Two permanent government girls, or small bachelor suitable for one girl.

Some hon. Members: Oh, oh.

Mr. Browne (St. John's West): I did not read all the advertisement. The end of the advertisement reads "reliable".

In contrast, sir, to the treatment which was accorded to the lady to whom I referred as walking the streets looking for a place for her two children, I should like to draw attention to a gentleman who was written up in the *Globe and Mail* of Toronto yesterday morning. The item refers to Mr. R. L. Parratt of Kingston:

> Ross M. Richardson of the firm of Mitchell and Wilson, general contractors of Gananoque, also a war veteran, has a financial interest with Mr. Parratt in the building of apartments—

where married people with children can live. I believe, sir, that man deserves the acclama-

tion of this house for the work that he has done. I should also like to refer to a statement which I saw in the press yesterday about a gentleman in Yarmouth, Nova Scotia, who was building low-rental houses for the accommodation of people who were seeking housing accommodation in that city.

I should like to refer to the housing problem in the city of St. John's, Newfoundland. There, sir, I believe the housing corporation, which was created a few years ago, made a tragic mistake in erecting high-class houses instead of erecting houses for those who were not able to pay high rental. The chief problem is with the poor and the middle class. The rich person is able to look after himself. I promised those of my constituents who live in dreadful hovels in the city of St. John's that I would urge the necessity of the government giving attention to the housing situation of those people down there. I trust that the Minister of Reconstruction and Supply (Mr. Winters), when he was in St. John's, took the opportunity of visiting these dreadful places, and that he will take early steps to have something better substituted.

There is one other matter on the housing question to which I should like to refer, and it is an important one. Hon. members from Nova Scotia are familiar with the co-operative movement which has been created down there. They must know that in connection with the co-operative movement Dr. Tompkins developed a housing plan which has been copied, I believe, in other parts of this country. It has been copied in our own. Dr. Tompkins bought seventy-five acres of land, and he gave each man an acre. He brought down two ladies from Maine who studied with groups of ten people how to build a house. They designed their houses outside and in. They reckoned every penny that was necessary for the construction, for fittings and for furnishing these houses, and they came out right to the $2 piece. The hon. member for Inverness-Richmond (Mr. Carroll) knows how successful that plan was. He knows that these houses were built and that they cost only $9 a month and were paid for in the comparatively short time of from twelve to fifteen years. I have not been able to see that plan continued since 1946, but in 1946 it was a pleasure to me to witness groups of ten ex-service men working together to build their houses co-operatively. At the time I was there they had a concrete mixer. They were all working, stripped to the waist, helping one another to build houses in which they could live with their families. That is the cheapest form of housing.

Today I understood the Minister of Reconstruction and Supply to say that the people were going to get credit for the labour that they were putting into their houses. Many years ago we had a scheme for civil servants in St. John's, based on Dr. Tompkins' scheme. It fell through because the government of the day would not give the people credit for the labour they put in on their houses. If that had been done we would have had a solution to the housing problem, which we have not yet.

Finally, sir, what has the future in store for Newfoundland? What are to be the relations between Newfoundland and the rest of Canada? It depends largely upon the question whether the government intends to be just and fair. I must confess, sir, that since I came here I have found much evidence of good will, for which I am truly grateful. I hope that this good will will continue, because if it does I feel quite confident that our people, despite the handicaps under which they suffer, will do all in their power to promote the happiness and the prosperity of a great united nation.

Mr. Sinclair: Will the hon. member for St. John's West (Mr. Browne) permit a question for the purpose of clarification?

Mr. Green: It is his maiden speech.

Mr. Sinclair: I know it is his maiden speech. I think he made a slip in regard to Mr. Mackenzie King. He said that Mr. Mackenzie King was Prime Minister in 1933 and opposed the confederation of Newfoundland with Canada.

Mr. Browne (St. John's West): I did not hear the first part of the remark.

Mr. Sinclair: When describing the royal commission of 1933 the hon. member said that they had investigated every possibility, including confederation with Canada, and that that was opposed by Mr. Mackenzie King at that time. The hon. member will recall that it was not Mr. Mackenzie King but Mr. R. B. Bennett who was Prime Minister in 1933.

Mr. J. W. Noseworthy (York South): Mr. Speaker, I am very happy this afternoon to have the opportunity of following in this debate a compatriot from Newfoundland. I want to congratulate the seven members in this house who sit for various constituencies in that island. I am happy to find that at long last Great Britain's oldest colony has taken in Canada, and that at long last the dreams of the fathers of confederation have been fulfilled. I want to congratulate some of the members from Newfoundland on the marvellous majorities which they received in their election. With all due respect to what has just been said by the hon. member for St. John's West (Mr. Browne), there is every indication that by and large the people

of Newfoundland favoured confederation; otherwise I find it difficult to understand how members who had supported confederation come into this house with majorities of five thousand, six thousand, seven thousand and as high as more than ten thousand. Coming from constituencies of older Canada many of us would look upon these majorities as pretty safe ones.

I noticed that the hon. member for St. John's West referred to the fact that members here from Newfoundland felt a little timid in this house. As a Newfoundlander myself I want to say to him that no Newfoundlander ever needs to feel timid anywhere with anyone. Let me tell these newly elected members, what they must already know, that Newfoundlanders have made good in this country in the professional field, in industry and in commerce. And I am sure that, now that Newfoundland is a partner in Canada, Newfoundlanders will make equally good in the political field.

It was my pleasure in 1943 to be, I believe, one of the first, if indeed not the first member in the House of Commons to raise the question of confederation of Newfoundland with Canada. Reference to my speech, which appears in volume V of *Hansard* for 1943, at page 4657, indicates that in that speech I argued the case for confederation on the basis of the advantages that would accrue to Canada, and not on those which would accrue to Newfoundland.

Having lived just about half my life in Canada, and considering myself a Canadian, I felt that the strategic position and the potential and undiscovered wealth of Newfoundland, and the adjacent territory of Labrador, would be of great advantage to this country. I have no doubt that confederation has already brought some benefits to Newfoundland. I can well imagine that those family allowance cheques, coming just before the election into the outports of Newfoundland, must have looked like manna from heaven. I am not going to say that those cheques had anything to do with the size of the majorities some members received. Newfoundland stands to profit by many of the measures of social legislation we have enjoyed in Canada for many years, but which Newfoundland was unable economically to provide her people. Let me say to the newly elected members from that island, however, that Newfoundland now becomes the fourth maritime province of Canada. If those hon. members have followed Canadian history they will have learned that the marriage of the maritime provinces with Upper Canada at the time of confederation has not been an entirely happy one. Indeed there have been times when the relationship has been strained.

Especially in view of the fact that we now have a fourth maritime province, I was disappointed when reading the speech from the throne to find that there was no mention of any special consideration to be given to that part of Canada. It is a well-known fact that the maritimes have suffered. I call the attention of the new members from Newfoundland to this point in order that particularly those sitting on the government side of the house may not sit back complacently and think that, because they have now confederation and now have a Liberal government, all will be well. There will be ample opportunity for those members to fight every inch of the way to secure for Newfoundland, along with the other maritime provinces, what may be considered a square deal.

Let me call the attention of the house to some features which are of great importance to the new province. According to figures published by the dominion bureau of statistics the average earnings in 1948 in the then three maritime provinces were much below the average earnings for the whole of Canada. In that year the average male earning for all Canada was $993; in Nova Scotia the average dropped to $865, in New Brunswick to $765, in Prince Edward Island to $594, with a corresponding drop as compared with the over-all average in respect of the earnings by females.

If one looks at the income of farmers of the maritime provinces one will find that while 10·5 per cent of the farms of Canada are in the three maritime provinces, the income of maritime farmers in 1946 was not the 10·5 per cent to which their population would entitle them. It amounted to only 4·5 per cent of the agricultural income of Canada.

Judged by the number of automobiles owned, the number of telephones in homes, the number of houses with radios and with electric lights and inside water, each of the three older maritime provinces falls far below the average for the whole of Canada. These are just a few of the facts to illustrate the statement I have made that special consideration must be given, particularly in view of the new province having been added. If the Liberal party as such has no policy for the maritime provinces I would suggest that it look up the policy adopted by the C.C.F. party at its Winnipeg convention in 1948.

Mr. Cruickshank: What about the Regina convention?

Mr. Noseworthy: Never mind about that; I will come to it later. I do not believe the Liberal party should have any hesitancy in adopting a few planks offered by the C.C.F. party. It has adopted many of them over the

years, and has no reason to be ashamed of having done so. As a matter of fact, if we are to accept the statements made by the leader of the official opposition (Mr. Drew) during his election campaign, the Liberal party were not very far from the C.C.F. They had become almost as socialistic as the C.C.F. What I think is most interesting is that every time the leader of the official opposition made that statement on the hustings he made votes for the Liberal party, not for himself. I am confident that the unparalleled success of the Liberal party at the last election was due in large measure to the fact that to some extent they had adopted and enforced measures which the C.C.F. had been advocating since its inauguration in 1933, and which the groups which came together then to form the C.C.F. had been advocating before that time.

I am going to check the record for a few moments because I like this business of checking the record. The Liberal campaign committee for the province of Ontario ran a series of advertisements in the Ontario press during June entitled, "Check the record." They took great credit, and they are entitled to it, for the institution of family allowances. But I want to tell them that if they will look up the C.C.F. program they will find that family allowances were adopted as part of our party program at the convention of 1942. No action was taken by the Liberals in connection with family allowances until 1944. Therefore I think we can claim some credit for having created in the public mind a demand for that particular piece of social legislation.

In that same advertisement the Liberals took credit for having introduced unemployment insurance. I should like to remind hon. gentlemen opposite that if they will go back to the 1933 Regina manifesto, to which an hon. gentleman referred a moment ago, they will find that unemployment insurance was adopted in that year as part of the C.C.F. program. It was not until 1940 when industrial labour was so essential to our war effort that the Liberal party got around to doing anything about unemployment insurance.

I am at a loss to understand the next item in the advertisement by which the Liberal party takes credit for a national health plan. I fail to understand what they mean by a national health plan. In the Liberal platform of 1919 there was a promise of health insurance, but I do not know of anything approximating health insurance that has been introduced by the Liberal party in the thirty years that have elapsed since 1919. The latest statement I can find on the matter is that the Liberal party does not want to introduce health insurance until enough hospitals have been built to provide the necessary accommodation. At the rate at which we are building hospitals at the present time, even with government help, it will be at least fifty years before we have sufficient hospitals so that health insurance can be introduced on that basis. The grants in aid that the federal government is making today to the provincial governments for health purposes represent just about ten per cent of what would be required to institute an over-all national health plan.

What is rather striking is that the Liberals take full credit in that advertisement for any collective bargaining agreements that are in existence. There again I would say that any achievements that have been made in the field of collective bargaining have been due to the fight put up by organized labour over the past fifty years, with little or no assistance from the governments of this country. If hon. members want to make a comparison I suggest that they go back again to the 1933 Regina manifesto where they will find that collective bargaining was made a part of our program. Little or nothing was done and no help was given by the Liberal government to bring about collective bargaining until 1944, when the first act was passed.

There are a number of other credits taken by the Liberals in that advertisement. They took full credit for old age pensions. Need I remind this house that old age pensions were first introduced when both the Conservative and Liberal leaders in this house needed the support of a small group led by the late J. S. Woodsworth, and the basis of that support was a promise from the former Prime Minister of this country.

An hon. Member: In writing.

Mr. Noseworthy: That promise was made in writing and it hangs on the walls of our national office. It was to the effect that if we would give support during the following session he would introduce old age pensions. Incidentally, Mr. Woodsworth asked also at that time for unemployment insurance and was promised that it would be given consideration.

The Liberal party also took credit for the veterans charter. I want to congratulate the government on the veterans charter and the extent to which they have assisted the veterans of world war II, certainly as compared with the treatment meted out to the veterans of world war I. It is one of the bright spots in our civilization; it is one of the bright spots that indicate that we as a Canadian people are making progress. I am particularly pleased with the assistance that has been given to the young veterans who have come back desirous of completing their education. While in the house from 1942 to 1945 it was

my privilege to sit on a committee of the house that considered the courses of education that should be made available to veterans returning from world war II. I want to repeat a little story that I heard in my own riding. The Conservative candidate had a loud speaker in the riding and the man who was operating it was saying: "What did the Liberal government ever do for you?" After hearing that, a very staunch Conservative came into my committee room and said: "That started me thinking. When I went into world war I my education was half finished; I was about half through high school. I never had an opportunity to complete that education. My boy was in world war II. He too had not quite finished high school when he enlisted. He has since returned and has graduated from the university of Toronto, thanks to the assistance of D.V.A."

I am confident that many of the votes which the Liberal party received in the past election were received from families whose young people had been assisted in completing their education by virtue of the provisions of D.V.A. after their return from the services. I should like to call the attention of the minister to one or two improvements which might be made in the regulations. Here is what I discovered only a few days ago. A student finished his course of study within his credit year. He wrote about half his examinations within his credit year. Two or three of his examinations were written after his credit year had expired. Because of that fact I find that D.V.A. will not take into account his standing in that year although he made second-class honours. They will not grant him another year but insist on going back to the previous year on the ground that, because that boy wrote two examinations after his credit year had been completed, the regulations would not permit them to consider that year.

I am sure the men who framed the regulations never intended that they should operate so drastically as to exclude a deserving young veteran from another year of university training on a mere technicality. I took the trouble to find out how many other veterans at the university of Toronto were affected by that ruling. I found there were about ten or twelve in that university alone. I suggest to the minister that some steps be taken to override that technicality, on behalf of these young men who are entitled, by reason of their academic standing in their last year, to full credit for that academic standing, even though their credit year may have expired before they finished their examinations.

On motion of Mr. Noseworthy the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will continue this debate.

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

HOUSE OF COMMONS

Thursday, September 22, 1949

The house met at three o'clock.

NATIONAL REVENUE

TABLING OF ANNUAL REPORT—PETROLEUM AND PULPWOOD REGULATIONS

Hon. J. J. McCann (Minister of National Revenue): I wish to table the report of the Department of National Revenue for the fiscal year ended March 31, 1949.

So far as the export petroleum and pulpwood regulations are concerned, none having been promulgated since the last return was made, no report will be made with regard to this item. Likewise, no report will be made in connection with the following statutes, since no orders or regulations have been made pursuant to the authority vested in me thereunder: Canada-New Zealand income tax agreement; Canada-United States income tax agreement; Canada-United Kingdom Succession Duty Agreement Act, and the Canada-United States Tax Convention Act, 1944.

PARLIAMENT HILL

PARKING SPACE FOR MEMBERS' CARS—STATEMENT OF MR. SPEAKER

Mr. Speaker: Yesterday the hon. member for Gaspe (Mr. Langlois) brought to my attention the inadequacy of the facilities for parking automobiles in the immediate vicinity of this building, particularly automobiles belonging to members of parliament. Immediately after the house rose last night I was in consultation with the Sergeant-at-Arms; and I am pleased to inform the house that already, in conjunction with the Department of Public Works, he has arranged for some additional space for members' cars to the right of the space occupied by the cabinet ministers.

I might also point out to hon. members that some time ago the Sergeant-at-Arms sent a questionnaire to members to ascertain who had automobiles in Ottawa. At the present time he has received notice from fifty-five members only that they have automobiles. It is impossible for him to know just what space should be allotted to members until he knows how many have cars here.

Hon. members will probably be interested to know that the parking area in the vicinity of the building has been allotted as follows: There are eighteen spaces for ministers of the crown and the leader of the opposition, forty-two spaces for members of parliament, fourteen spaces for senior officials, and seventeen spaces for House of Commons employees.

The hon. member for Gaspe has handed to me the notice which he received with respect to the parking of his automobile. I find that it is not a summons, and that it was not served on him personally but was a notice that was put on his car informing him that the owner—who in this case happened to be a member of parliament—had parked his car for a longer period than is permitted in a space reserved for officials. There is no information on the card to the effect that a penalty will be imposed, and I can assure the hon. member that none will be.

I am sure that all hon. members realize the difficulty that the Sergeant-at-Arms has in providing space for the members. Some system has to be devised so that the limited space may be allotted fairly amongst the ministers, the members and the officials of the house. All I can add is a request to all hon. members that they try to conform to whatever system may be devised.

FREIGHT RATES

JUDGMENT OF TRANSPORT BOARD—QUESTION AS TO DELAYING ACTION

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): May I direct a question to the Minister of Transport? In view of the judgment of the board of transport commissioners, issued this morning, and the serious implication of a further increase in freight rates, will the government delay any action on recommendations made by the commissioners until the house has been given an opportunity to discuss the matter, and interested provinces have had an opportunity of placing their views before the government if they so desire?

Hon. Lionel Chevrier (Minister of Transport): The part of the question which seeks information with reference to the recommendations made by the commissioners should be answered in this way. This is a judgment of a court of record, and not a recommendation made to the government.

With reference to the next part of the question, as a rule it is not the custom of the

government to interfere with judgments of the court or with ordinary legal processes.

With reference to the question of the rights of the provinces, or of any other parties who feel aggrieved by the judgment, there is, under the Railway Act, a right of appeal.

Mr. Green: May I ask a supplementary question? Is this judgment supposed to be a judgment also in respect of the general rates inquiry, or is the board now to undertake a general rates inquiry having to do particularly with discrimination?

Mr. Chevrier: This judgment is divided into two parts. It deals first with a review of the 21 per cent increase in freight rates which was referred to the government by way of appeal, and, second, with an application made by the Railway Association of Canada for a general increase of 20 per cent in freight rates.

Mr. Green: I was referring to the instructions given to the board to make a general inquiry.

Mr. Chevrier: The answer clearly is that it does not deal with the general inquiry referred to by my hon. friend.

Mr. Coldwell: May I ask a supplementary question? While the minister states correctly that it is not usual for the government to interfere with the judgments of a court of record, in view of the serious implications of this judgment will the government not consider that it is in the public interest to defer any action to put these recommendations into effect?

Mr. Chevrier: The hon. gentleman has virtually repeated his question. I am afraid I have to repeat my answer, and say that I have nothing to add to what I have already said.

Mr. Coldwell: Will the government consider interfering? That is the point.

Mr. Chevrier: Under the Railway Act as it stands I do not think that the government has any right to do so. I cannot speak for the government; I can speak only for myself. I say that it is not the usual practice or custom to do that.

FOREIGN EXCHANGE

TRADE WITH BRITAIN—EFFECT OF DEVALUATION

On the orders of the day:

Mr. H. R. Argue (Assiniboia): I should like to direct a question to the Minister of Trade and Commerce. In view of Canada's new disadvantage in the British market, caused by the devaluation of the pound, is the minister in a position to announce what steps are contemplated to maintain the British market, and whether negotiations will be entered into with British officials for the purpose of renewing our food contracts?

Right Hon. C. D. Howe (Minister of Trade and Commerce): The question begins by making an assertion which I hardly think is correct; it says, "In view of Canada's new disadvantage in the British market". I think, if anything, Canada is in a better competitive position in the British market than she was prior to devaluation. As to negotiations between officials in regard to trading relations, I may say that the continuing committee which was set up at the time of the visit of Sir Stafford Cripps a year ago, is meeting in Ottawa at this moment. It is a committee composed of United Kingdom officials and Canadian officials. I am hopeful that as a result of its deliberations an improvement in the marketing situation will result.

Mr. Argue: May I ask the minister whether food contracts for next year will be renewed?

Mr. Howe: There are two sides that must agree in order to determine whether the food contracts will be renewed. I am afraid I can speak for only one side.

HOUSING

STEAM SUBURBAN SERVICE FOR TORONTO DISTRICT

On the orders of the day:

Mr. T. L. Church (Broadview): I should like to direct a question to the Minister of Reconstruction and Supply. In view of the fact that we have no cheap land in the Toronto district, will he consider approaching the two steam railways with a view to providing a steam suburban service to accomplish that object?

Hon. Robert H. Winters (Minister of Reconstruction and Supply): The hon. member brought up this question last year. At that time I felt it was fully dealt with. However, I shall be only too glad to look into it again.

Mr. Church: Without such a service the minister's housing plan will not be of much assistance.

Mr. Graydon: Commutation rates to Brampton would help.

SUPERANNUATED CIVIL SERVANTS

COST OF LIVING BONUS OR OTHER SUPPLEMENT

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to direct a question to the Minister of Finance. In view of repeated representations, and in view of the many promises made during the recent election campaign, especially by government supporters—

Some hon. Members: Order.

Mr. Knowles: —will consideration be given—

Mr. Speaker: Order.

Mr. St. Laurent: Is not that an infringement of the direction you gave the other day, Mr. Speaker, with respect to such questions as can be asked on the orders of the day?

Mr. Knowles: In view of the urgency—

Mr. Speaker: Order. I did not hear the question of the hon. member for Winnipeg North Centre.

Mr. Knowles: I have not yet had a chance to state it.

Mr. Speaker: May I say that in asking questions on the orders of the day, hon. members should ask questions and not make statements.

Mr. Knowles: Will the Minister of Finance give consideration to the request of the superannuated civil servants for a cost of living bonus or other supplement?

Mr. Speaker: Order. In view of my remarks of yesterday I think that this question should be put on the order paper.

Mr. Knowles: It is extremely urgent to the people concerned.

FLAXSEED

AVAILABILITY FOR CRUSHING IN SASKATCHEWAN VEGETABLE OIL PLANTS

On the orders of the day:

Mr. R. R. Knight (Saskatoon): Has the Minister of Trade and Commerce before him an answer to the question I asked yesterday in his absence?

Right Hon. C. D. Howe (Minister of Trade and Commerce): Flax is being sold at the moment direct from the farmer to the private trade. The government has provided facilities for a growers' pool in flax, but since market prices are well above initial payment of the pool, no flax is being delivered to the pool. Therefore the proper method for the crusher in Saskatoon to follow in providing for its requirements next year is to estimate such requirements and purchase the flax on the open market.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Wednesday, September 21, consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, in rising to speak in this debate my first duty, and it is indeed a pleasure and not a perfunctory one, is to congratulate you on your elevation to the position of first commoner. I do so with personal pleasure; for over the years I have had the pleasure of observing that in your occupancy of the office of Deputy Speaker you have accorded to all hon. members that equality without which it is impossible to carry on properly the functions of parliament.

On this occasion, which in certain respects is different from similar occasions in the past, all I intend to do is to place certain suggestions before this house; because, as I see the situation, the Canadian people having spoken, and it being the duty of all hon. members to accede to the wishes and the will of the majority, what I have to say will not be a rehash of the election campaign. I shall endeavour to place before the government and this house certain matters in respect to which I believe changes might well be made.

When one comes here for the first time he expects resentment and recrimination to be the natural attitude as between parties in parliament. But, as was demonstrated a moment ago when I rose to speak, the generous attitude shown by hon. members opposite indicates that after all, there is, in this House of Commons, which is properly representative of the people, an abiding spirit of friendship and respect among members on all sides of the house. And, Mr. Speaker, without that friendship and respect parliament would be a place in which few of us would wish to be.

I have been impressed since the session has begun, as I am sure you, sir, and all other hon. members have been, by the high quality of the new members who have come to the house, constituting an infusion of new blood into this national assembly.

I was greatly impressed by the address of the hon. member for Nicolet-Yamaska (Mr. Boisvert), the mover of the address, and also by the address of the seconder, the hon. member for Vancouver South (Mr. Laing). The presence of these hon. members in the House of Commons will raise the standard of parliament. Again, yesterday, I enjoyed very much the splendid address of the hon. member for Three Rivers (Mr. Balcer), who is able, as I wish I were, to speak with equal facility in either of the official languages. I was impressed, too, by the address of the hon. member for St. John's West (Mr. Browne).

There was a demonstration of democracy yesterday, when one of the opponents of the union of Newfoundland with Canada rose in his place and, in a spirit of good will and compromise, and with the realization that

the majority prevails and that we have much to offer one to the other, joined in acclaiming the fact that Newfoundland is now one of the provinces of this dominion.

Democracy lives only when there is an infusion of able young men such as these whom I have mentioned, and there are others. Democracy lives only when there is a realization that there is a function to be performed by those who today sit to the left of Mr. Speaker—not immediately to his left, may I say, but somewhat removed therefrom. As I listened yesterday to the hon. member for St. John's West, and heard him describe the strangeness of the atmosphere of parliament—and it does have that effect upon all new members—I went to the library and got there, sir, a description of parliament which, with your permission, I should like to read. In its masterly language and in its breadth of vision it portrays something of what parliament means. It was written by the Hon. Quintin Hogg, one of the most distinguished of the younger parliamentarians in England. There is a feeling of frustration experienced by the member who comes to parliament for the first time, and surprise that parliament does not move faster. It is true that parliament moves in a traditional way with its procedure and practices brought up to date by changes, often belatedly, to meet ever-changing conditions. But, parliament is more than procedure—it is the custodian of the nation's freedom. Mr. Hogg describes it in these words:

> Parliament is not like a building designed and constructed by a single architect such as the Parthenon, St. Paul's cathedral, or the Empire State building. Parliament resembles rather an ancient family mansion which has been lived in continuously for a period of centuries, and has served the needs of those that have dwelt therein by constantly modifying and adding to its conveniences from generation to generation . . .
>
> To those who live in it, it is a priceless possession not to be exchanged for anything more meretricious and unified. But those who are unfamiliar with its history are sometimes apt to lose themselves in its winding corridors and to be surprised and trapped by floors built at different times and on separate levels.

That is what parliament means to me: Parliament, the protector of the people's freedom.

I congratulate the Prime Minister (Mr. St. Laurent) upon his election to office. I have known him over the years, and in the earlier days of the Canadian Bar Association; and while we are separated by eighteen feet of green carpet, they do not lessen the respect I hold for him, not only personally but as the occupant of the high position he now holds.

I say, too, that in his address in this debate the leader of the opposition (Mr. Drew) showed that he was possessed of that chivalry in public life without which parliament becomes a mere sham. I shall not fight the election over again; we shall have plenty of opportunity for that. The government has an overwhelming majority; and the responsibility of His Majesty's loyal opposition has been thereby increased and intensified. In this country we do not uphold the doctrine of a single-party state. A single-party parliament denies democracy. It inevitably leads to the dictatorship of government which tends to destroy the rights to those who do not belong to the majority.

Both in the House of Commons and in the Senate, members of the government party have overwhelming majorities. In consequence there is placed upon the opposition responsibilities which are greater than they otherwise would be. While we of His Majesty's loyal opposition should accept the overwhelming majority of the government as a condition having the approval of the people of Canada, we shall not accept it as an endorsement of everything this government chooses to bring before the House of Commons, as though it had received a mandate from the people for every measure it proposes.

We in the opposition have a responsibility to assure the people of this country that any invasions of freedom, whether the fundamental freedoms or otherwise, shall be resisted in parliament.

Some have said to me since the election that with the increase in the majority supporting the government there would be little opportunity for those of the opposition to develop their arguments. I did not believe that such would be the case. During the last few days I think it has been shown that I was right; that the members of the government realize that we of the opposition, small in numbers though we be, have a responsibility to discharge, to the end that we may preserve inviolate those rights and privileges which from time to time might be subject to attack.

It used to be said that the function of an opposition was "to propose nothing and oppose everything." That is not the view of those who have a proper appreciation of our system. Some say parliament talks too much. Parliamentary democracy can exist only where there is public discussion and debate; where public discussion is denied, freedom itself will die, and the history of other nations has shown that freedom disappears when there is no effective opposition.

We intend to support—this has been the course I have always followed—all measures which we believe to be for the general benefit of the nation. We intend to be on guard and to scrutinize every action of the government

—but not, as Moncreiff has said, by "a wakeful and morbid suspiciousness", but carefully and fairly, we intend to examine all proposals that come before this House of Commons.

Governments with overwhelming majorities often make shortcuts through parliamentary procedure. They do not like to be held down by parliament. It is so much easier to pass executive orders. One of the great writers on British constitutionalism said recently that in the past twenty years the cabinets, the executives, of governments in all parts of the British commonwealth have regained almost all the powers that a cabinet had two hundred years ago. In two wars many of parliament's rights and prerogatives were abdicated. It is hard to regain them.

I think one thing the government should do at this time—I ask hon. members in all parts of the house to join me in this request—is to assure us that the course regarding orders in council adopted last year will be extended. On March 9 last the Prime Minister agreed to table from time to time all orders in council, or a summation of them. That is good so far as it goes, but it should go still further.

I should like to make a suggestion which would give an opportunity for service to the new members who have a feeling of frustration because of their inability to find anything to do. I should like to see a committee of parliament set up, that would examine delegated authority—in other words a committee on ministerial powers. At the moment I am not criticizing the principle of delegated power, but if it is carried too far it is a denial of the democratic system of government.

Delegated legislative power results from the technical nature of most legislation and the difficulties involved in legislating to meet complex conditions. In the United Kingdom it has been found necessary to set up a committee in this regard, and I should like to see a similar committee appointed by this house.

Such a committee would report to the house from time to time on all orders in council passed where there is a matter of principle in issue, and where the question of delegated power arises. Where legislative power is conferred, the committee would make the necessary criticisms of orders passed by civil servants under the powers granted by legislation enacted by parliament. Members of the house would be given an opportunity to serve. There should be no difficulty about the government having a majority in the committee. Its members would be charged with noting any breaches of parliamentary privileges and democratic rights; in fact in orders in council it would be a watchdog in the preservation of our democratic rights.

I trust that the government will set up some of the committees very soon, particularly the radio committee. It is understandable that the radio committee was not set up at the last session. Since then, however, the question of television has been dealt with by the Canadian Broadcasting Corporation, and a question has been raised with regard to increasing the radio receiving licence fee. If I know anything of the attitude of the vast majority of the people, they will resist any increase in that fee. The whole field of radio should be examined with a view to making recommendations, in accordance with the principles upon which our national radio was set up, to the end that such improvements as are necessary may be made.

The mention of government boards brings to mind that today an order was issued by the board of transport commissioners increasing freight rates in this country. It is not for me to say that parliament should have an overriding control over a board set up by parliament, and I make no such suggestion. In the three western provinces the average level of freight rates before the 21 per cent increase was 14 per cent higher than it was in Ontario and Quebec. When the 21 per cent increase across the board was added, that discrimination against the three western provinces was increased to 16·9 per cent. A further addition of eight per cent will increase that discrimination to approximately 18·25 per cent.

I realize that increases have become necessary; you cannot keep freight rates down when costs are rising. But I do say that it is untimely to have such an increase put into effect while the Turgeon commission is sitting. Before any further increase was made there should have been recommendations for the removal of the discrimination which exists today against the three western provinces, as well as others. This is a matter on which I want to hear some of my hon. friends from Saskatchewan speak when they take part in this debate. The announced increase is in effect a continuance and intensification of discrimination which has had a damaging effect upon the building up in the western provinces of other than an agricultural economy.

There is one other committee that I should like to see the government set up. It has to do with a subject with which I am not going to deal at length, but one which is important to the future of Canada, namely, the preservation of our fundamental freedoms.

In 1947 a committee of the house sat for a considerable length of time hearing evidence

on the subject of fundamental freedoms. At the end of its sessions it made a report, which in part read as follows:

> At the outset, it was apparent that at the present session only preparations could be made for a subsequent detailed study of human rights and fundamental freedoms. Consequently, your committee has invited the attorneys general of the provinces and the heads of Canadian law schools to furnish views and opinions on the question of the power of the parliament of Canada to enact a comprehensive bill of rights applicable to all Canada.

In the 1948 session the committee was again set up. It dealt in the main with an international bill of rights for the preservation of fundamental freedoms everywhere in the world. Among other things it said in its report:

> The power of the dominion parliament to enact a comprehensive bill of rights is disputed. . . .
>
> Clarification of the extent of the dominion's powers by reference of questions to the Supreme Court of Canada has been suggested.
>
> In view of the fact that decisions by the Supreme Court of Canada in individual cases would be far more satisfactory than upon a general reference in determining the powers of parliament and the legislatures, your committee gave some consideration to the question whether the jurisdiction of the Supreme Court of Canada should not be enlarged so that by leave of that court appeals would lie on questions of law in some instances in which there is now no appeal. Your committee is of opinion that the government should give consideration to such an enlargement, and so recommends.

At this session of parliament I should like to see a committee on fundamental freedoms again set up, designed to place the subject before the people of Canada and make them conscious of any invasions of freedoms that take place. I believe there should be a submission to the Supreme Court of Canada for the purpose of ascertaining the delineation between dominion and provincial jurisdiction on the enactment of a bill or declaration of rights for the maintenance and protection of fundamental freedoms in Canada.

Through you, Mr. Speaker, I should like to bring to the attention of the Minister of Justice (Mr. Garson) the recommendation of the committee to which I have referred, so that the government may give consideration to the inclusion of the right of appeal in respect of invasions or infringements of the fundamental freedoms in the amendments that are to be made to the Supreme Court Act. The committee was presided over by the predecessor of the Minister of Justice, Right Hon. J. L. Ilsley. The committee unanimously reported as follows:

> Your committee is of opinion that the government should give consideration to such an enlargement, and so recommends.

If the supreme court is to be the final court of appeal for all matters arising within our country, surely something should be done so to enlarge the powers of the supreme court as to assure the preservation of the freedoms. When one's fundamental freedoms, which everyone who lives under the British tradition has by reason of his inheritance, are interfered with, there is no right of appeal to the Supreme Court of Canada. I suggest that the Minister of Justice give consideration to the inclusion in the Supreme Court Act of the power of appeal with leave of the court against unjust infringement and abrogation of civil liberties. Is it not a strange thing that when dollars are at stake you can appeal to the Supreme Court of Canada, but when civil liberties are at stake there is no appeal to that body which the Minister of Justice said the other day would assure equality of rights everywhere in this dominion? I trust that the minister will, even if opposed to a national bill of rights, while accepting the need of an international bill of rights, at least give accord to those whose rights and fundamental liberties have been invaded, the right of appeal to the Supreme Court of Canada.

I pass now to one other matter, and then I shall have finished. This session will be known as the constitutional session. There seems to be great haste in providing for all kinds of changes in the constitution. Let me read from the speech from the throne:

> You will be asked at the present session to approve measures designed to facilitate the attainment of the constitutional limits of our nationhood.

We have not been denied that right at any time within a period of thirty or forty years.

> You will also be asked to approve addresses praying the parliament of the United Kingdom to vest in the parliament of Canada the right to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the constitutional rights and privileges of the provinces or existing rights and privileges with respect to education or the use of the English and French languages.

I do not quite understand that, Mr. Speaker. We are to secure absolute autonomy; we are to assert our independence. How are we to do it? By bifurcated methods of amendment. At this session we are to pass an address to the imperial parliament on certain matters. In other words we are to ask the imperial parliament for the power to amend our own constitution on matters in respect to which the provinces have never been consulted during the years.

As to other subjects the address reads:

> My ministers will seek to arrange for early consultation with the provincial governments with a view to agreeing upon an appropriate procedure for making within Canada such other amendments to the constitution as may from time to time be required.

Are we to be half autonomous, or half independent, Mr. Speaker, when these things are

done? We are going to assert by an address to the crown the right to amend our constitution in Canada as to certain sections of the B.N.A. Act about which there is no dispute whatever. Then we are going to consult with the provinces about the other sections. Why all the haste to become half autonomous and independent? There is no question of disputed jurisdiction as between the federal and provincial governments. No question of economic or social security is involved in what is to be done at this session. It is a step, and it is a step that will be meaningless, unless, as a result of the conference, the provinces agree to the procedure for all other amendments to the constitution being made by the Canadian parliament.

I am not going into the particulars of the past, but the records since 1935 show—the Minister of Justice smiles, because he has read them—that never has it been possible, either in the committee of parliament which was set up in 1935 or in the dominion-provincial conference of 1936, to arrive at any common denominator which would permit amendments so far as the rights are concerned in respect of which this consultation with the provinces is to be had. In 1935 a committee met for some time. Most of the provinces would not make any representations. The committee reported as follows:

> The committee recognizes the urgent necessity for prompt consideration of amendments to the British North America Act with reference to a redistribution of legislative power and to clarify the field of taxation.

The report continues:

> The committee is of the opinion that before any decision upon the subject matter of the resolution is finally made, the opinions of the provinces should be obtained otherwise if at all possible, and for that reason recommends that a dominion-provincial conference be held as early as possible in the present year to study the subject matter of the resolution.

Well, the conference met, but nothing was decided. The reason for this was that political considerations, and extraneous matters, entered the discussions. The Minister of Justice is going to call a conference of the provinces. Surely he would defer to the advice of Mr. Mackenzie King with regard to the possible success of such a conference.

Mr. Garson: Will the hon. member permit a question? Is he opposed to consulting the provinces on these matters?

Mr. Diefenbaker: I am glad that my hon. friend has learned that consultation with the provinces is necessary if the unity of this country is to be preserved. He did not know that last year.

Mr. Garson: Last year I was premier of Manitoba.

Mr. Diefenbaker: Oh, Mr. Speaker, we are arriving now at something. My hon. friend's opinion in respect to the constitution depends upon where he is located at the time.

I suggest that instead of a dominion-provincial conference, there should be convened a constitutional convention, representative of all the provinces of Canada and of all shades of political thought in all the provinces of Canada. It should not be a meeting of the political heads of provincial governments and attorneys general, but representatives of the body of the Canadian people from every province and every political party. A similar suggestion was made in 1937 by a former prime minister, a great prime minister of Canada and an authority on the constitution, Right Hon. R. B. Bennett. The Minister of Justice laughs at that observation, but he was a great lawyer and a great Canadian, irrespective of his views.

Mr. Pouliot: You are a greater orator than Mr. Bennett ever was.

Mr. Diefenbaker: The hon. member for Temiscouata (Mr. Pouliot) will no doubt accept Mr. Mackenzie King as an authority.

Mr. Pouliot: He was not a practising lawyer.

Mr. Diefenbaker: I shall not enter into a controversy on that subject, but he certainly was a constitutionalist. This is what he said on January 26, 1937, as recorded on page 281 of *Hansard*. He talks about amendments to the constitution and the manner of going about it. He had had experience with interprovincial conferences. He said:

> One is the suggestion of my right hon. friend that the question should be considered by a constitutional conference, composed, as he has suggested, of members of the dominion parliament and the provincial legislatures, such membership to be representatives of all shades of political thought. I believe that method might be described as the ideal one.

To the Minister of Justice and the government I submit views of two former prime ministers. This is a problem that is not being faced in the speech from the throne. We are securing autonomy to do something that is not denied. We are dividing up the constitution and allowing the government of Canada to determine what affects the provinces and what affects the dominion. In my opinion we shall never secure those amendments, which I believe are so necessary to meet changing conditions while preserving and protecting minority rights in this country, by taking the uncertain steps designated in the speech from the throne. I suggest that something be done along the lines suggested by Mr. Bennett and Mr. King, to the end that this problem be faced and that we may come to a decision which will be

accepted unanimously in this country—a decision not dictated by the whims of the government of Canada, but arrived at as a result of wholehearted co-operation among all the provinces making up this confederation.

I come back, sir, to the point at which I started. This parliament has an appointment with destiny. We are not going to revive the recriminations and prejudices that characterized the election campaign. We in this parliament have a responsibility which transcends all others, that of preserving, maintaining and extending the boundaries of freedom. To that end, sir, I have suggested a committee on a national declaration or a bill of rights, in keeping with the international responsibilities we assumed a few months ago under the United Nations. We should assure to the individual in this country his right of appeal, when his freedoms or constitutional rights are invaded, to the supreme court which, after this session, if the government's proposal receives the support of the house, will be the highest court of appeal so far as Canada is concerned.

When amending the Supreme Court Act, I ask parliament to give to the man and to the woman, however humble they may be, wherever they may be, the constitutional right to carry their appeal to the foot of the throne when and if their constitutional freedoms are in any way interfered with. On the question of the amendment of our Canadian constitution, let us not proceed in a manner that can only arouse animosities. Let us endeavour to bring together in a constitutional convention men and women from all the legislatures of this dominion, no matter what their party may be, so that they may together in unity rebuild where necessary and desirable this country's constitutional foundations, while maintaining and assuring as fundamental and inviolable the minority rights of all our people under the British North America Act.

Mr. H. W. Herridge (Kootenay West): In rising to speak in this debate, Mr. Speaker, I wish first to extend my congratulations to the mover and seconder of the address, the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing). In doing so I am not going through some mere formality or simply extending courtesy. I am expressing sincerely my appreciation of effort and ability when I see it demonstrated in this House of Commons.

I should also like to join with others in extending a welcome to the members from Newfoundland who now sit in this parliament. I know their stay here will be to the benefit of Canada and to the advantage of the province in which they live.

I am going to make a few brief remarks with regard to the speech from the throne, before proceeding to a subject that I wished to pursue last session but was unable to do so because of its short duration. First of all, let me say that I endorse wholeheartedly the approach of and the statements made by the leader of this group, the hon. member for Rosetown-Biggar (Mr. Coldwell), when he spoke in this debate some days ago. I am pleased to note that the question of amendment of the constitution is being considered by the government, and that the government is attempting, with the provinces, to work out some convenient procedure by which that may be done here from time to time when necessary. I am of the opinion that such a move will meet with the support of the majority of the Canadian people.

I am also glad to notice that at last the government has officially, and in this parliament, recognized the seriousness of the housing situation. I listened with attention to the minister's statement yesterday, but until I hear further details and further explanations I shall not comment further on it. I trust that this government will not submit to pressure from certain groups for the abolition of domestic rent control. I have received letters from many types of organizations expressing great concern over this matter. Thousands of Canadians are anxious about this question, because they realize the inconvenience under which they would be placed should rent control be abolished now. I have received communications from trade unions, Legion branches, women's organizations, women's institutes and other groups interested in the cost of living and the cost of rent; and, as I say, I hope the government will not give way to the strong pressure that is being exercised from some directions for the abolition of rent control.

I am pleased to note that it is the intention of the government to proceed with assistance to the provinces in connection with the building of a trans-Canada highway. I am sure many people and many organizations throughout Canada will welcome this step. I presume that the government's action in this regard has been influenced to a great extent by the strong demand for some action that has grown throughout the country in recent years.

As one who represents many constituents who are particularly interested in forest conservation, I particularly welcome the reference to a measure being brought forward in this house with respect to forest conservation. While we have heard a great deal con-

cerning the devaluation of the dollar, I think the most serious devaluation the Canadian people have ever suffered to date is the devaluation of their natural resources owing to the lack of an over-all conservation policy.

With these few remarks, Mr. Speaker, I wish now to proceed to a subject in which I am personally interested, and one which interests many of my constituents. I wish to take the opportunity presented by this debate to bring to the attention of the house a matter which interests not only the people of my constituency but the people of British Columbia generally, and should interest all Canadians who have at heart the development of the country as a whole. Before proceeding further, for the information of the new members I should like to refer them to a speech which was made in this house. I do so not because I happen to have made the speech, but rather because it contains factual information concerning a large area of British Columbia, namely the Columbia river basin. If they are interested in this subject, and I trust that they are, I refer them to a speech I made in this house on February 21 and 22 of this year, dealing with the development of natural resources in the Columbia river basin, which is the drainage basin of the Columbia river system within Canada.

Since Thompson descended the Columbia in 1911, it has become rich in history and rich in romance, and day by day it is becoming richer in possibilities for development. I am sorry if this afternoon, in order to support my argument, I am obliged to quote somewhat extensively, but I intend to do so in order to give some proof of its validity.

First I wish to quote Professor William Denison Lyman, professor of history in Whitman college, Walla Walla, Washington, who wrote an excellent book on the history and the possibilities for development of the Columbia river system. This is what he had to say:

> . . . Although not half as long as the Mississippi, the Columbia equals it in volume. Well joined, in truth, are the sublime river and sublime mountains. One cannot fully understand the river unless he has seen its cradle and the cradle of its affluents beneath the shadows of the great peaks of British Columbia.

I want to review briefly the development of navigation in order to illustrate the importance of navigation in the past and in the future to the residents of the Columbia river basin, both in the United States and in the Canadian section.

The use of Hudson's Bay Company bateaux as one form of navigation on the Columbia commenced, generally speaking, in 1814, when the Columbia Express was organized to carry furs from Fort Astoria to Boat Encampment on the Columbia river north of Revelstoke. All fur was transported from here over Athabasca pass to Edmonton, Edmonton to Churchill and Churchill to London.

Hon. members will be interested to know that in those early days the Hudson's Bay Company took out of the Columbia river basin approximately $20 thousand worth of furs a year. The Columbia river basin and its developments should be of interest to Canadians of French descent, because many Canadians of French descent played a great part in the development of the fur trade and in the development of the lumber industry. Some of their descendants live in the district today. While this development was proceeding on the Columbia river in connection with the fur trade carried on by the Hudson's Bay Company, there was a discussion between Great Britain and the government of the United States concerning the international boundary. That was known as the Oregon boundary question. After a great deal of discussion between both governments, and at one point it almost seemed as if war was imminent, the Oregon boundary treaty was signed on June 15, 1846. This district was still slowly developing when we had the advent of steam navigation. Steam navigation commenced on the lower Columbia about 1850 and after a few years the Oregon Steam Navigation Company was formed. In reading the history of this company at one time I found that such was its development that greater profits were made in comparison with capital expended than had been made in any western American developments to that date.

On the Canadian section of the river steam navigation commenced about twenty years later. Small steamers proceeded from south of the line carrying miners and prospectors to north of Revelstoke. The Kootenay Steam Navigation Company was organized under charter in 1890, and commenced to build a fleet of stern-wheel steamers. This fleet was purchased in 1896 by the Canadian Pacific Railway, and this company increased the number of steamers by building some larger ones and improving other ships. For some years, up until about 1925, they carried on a very fine service on the Arrow lakes, which are an extension of the Columbia river, and on the Kootenay lakes, to the profit of the Canadian Pacific Railway, according to the minutes of the directors' meetings of the C.P.R. of those days.

This service declined after the building of the Kettle valley railway, because then it was possible for people from the interior of British Columbia to proceed to the coast via that route. I would recommend to any hon. member who has not been out to British Columbia that he go to Revelstoke and take

a steamer trip south on the Arrow lakes and then proceed to Vancouver over the Kettle Valley railway. If he does so I am sure he will enjoy one of the finest inland trips in Canada. In that connection I want to quote Professor Lyman as follows:

> The journey down the Arrow lakes from Arrowhead to Robson is one to dream of, one to recall in waking hours, and even, we almost suspect, in another life. The two lakes together constitute 130 miles of steamboating, and every mile has its special charm.

Then later came the development of navigation on the upper Columbia. The late Captain Armstrong, whom I knew very well, built and operated the *North Star,* the *Gwendoline* and the *Ruth.* Owing to the expansion of the district he informed me himself that on a few occasions he grossed over $2,000 a trip in his operations on the upper Columbia.

I want to deal briefly with the possibilities of navigation on the Columbia. The United States government has given serious consideration to this question; our government has not studied it to the same extent. As my authority for the possibilities on the Columbia, I am merely going to quote Professor Lyman's book. This is what he had to say in 1909:

> When improvements now in view by government are completed, our river will be one of the most superb steamer courses in the world. That may truthfully be said already of the 220 miles from The Dalles to the ocean, as well as of the 300 miles from Kettle Falls, Washington, to Death Rapids, British Columbia.

That is north of Revelstoke. I continue:

> The government engineers in Senate document 344, February, 1890, name the amount of navigable water on the Columbia and its tributaries at 1,664 miles. This may, perhaps, be an underestimation, since President Roosevelt has recently referred to it as twenty-five hundred miles, in which he probably included the lakes.
>
> It will be a great day for the historic and scenic river of the west when some magnificent excursion steamer descends the thousand miles from Revelstoke to the outer headlands. And with canals at Celilo, Priest Rapids, and Kettle Falls, with some improvements at minor points, at no immoderate expense, the thing can be done.

Then I go on to quote Professor Lyman after his investigation of the upper Columbia:

> Inspection of a map will show that the Columbia possesses the only water level route from the vast productive regions of the inland empire to the seaboard. As has been shown in the course of this volume, the river is navigable throughout the larger part of its course from Revelstoke in British Columbia to the ocean. In that distance there is one canal, with locks. That is at the Cascades, sixty-five miles from Portland. Before the river can be continuously navigable it will be necessary that a canal be constructed to overcome the obstructions at the Dalles, a few miles above the city of that name, another at Priest Rapids, seventy miles above Pasco, and still another at Kettle Falls.

[Mr. Herridge.]

In addition to that, Mr. Speaker, engineers of the dominion government, after an extensive survey of the upper Columbia river in 1914, found that navigation was quite feasible and practicable at considerable cost. I also recall, Mr. Speaker, listening as a boy to the discussions concerning the possibilities of hauling lumber, pulp and other forest products of the Columbia basin from Revelstoke to the sea, and also the possibility of transporting grain from Revelstoke to the sea. At that time navigation in the upper Columbia and the Arrow lakes section played a greater part than it does today. That was previous to the building of dams for power development in the United States section.

In order to indicate the value of river transportation even at the present time, which in our opinion has been greatly overlooked by this government, I wish to quote from the "Columbia Basin Joint Investigations River Transportation, Problem 21, United States, Department of the Interior, Bureau of Reclamation, 1945." This is the result of an investigation to see what could be done in the further development of the lower Columbia in the United States for transportation purposes. In brief, this is what the report has to say in summing up:

> The savings, which will accrue to the settlers and industrialists of the Columbia basin project by use of Columbia river transportation channels in the development and operation of the project, are a measure of the significance to the area of that river as a commercial route. These savings are computed on present rates for rail haul, and a probable future water rate, which it is estimated will prevail upon completion of the projects proposed for the Columbia river. Although the spread between rail and water rates may be less in the future, it is believed that rail rate reductions will result mainly from increased use of the river as an artery of transportation. Therefore, the estimated annual savings of $732 thousand represent the value of the improved river to the project area.

I have given these quotations to illustrate the importance of navigation on the Columbia today so far as the United States section of the Columbia is concerned, and how important it really is to us on the Canadian side.

I shall now deal with the point which I wish to bring before the house this afternoon. I refer to article II of the Oregon treaty which was signed on June 15, 1846:

> From the point at which the 49th parallel of north latitude shall be found to intersect the great northern branch of the Columbia river, the navigation of the said branch shall be free and open to the Hudson's Bay Company, and to all British subjects trading with the same, to the point where the main stream of the Columbia, and thence down the said main stream to the ocean, with free access into and through the said river or rivers; it being understood, that all the usual portages along the line thus described, shall in like manner be free and open.

In navigating the said river or rivers, British subjects, with their goods and produce, shall be treated on the same footing as citizens of the United States; it being, however, always understood, that nothing in this article shall be construed as preventing, or intended to prevent, the government of the United States from making any regulations, respecting the navigation of the said river or rivers, not inconsistent with the present treaty.

Then further, Mr. Speaker, to indicate just how important navigation was considered at that time, and how important the right given to us under article II was considered by the government of the United States and by the public of Great Britain, I should like to quote from a senate speech in the United States, and also from the London *Times* of 1846.

Senator Lewis Cass of the United States senate said in 1846, with respect to the terms of the Oregon treaty—and he is objecting to the signing of the treaty, in the belief that the United States got the worst of the bargain:

We grant the free navigation of the Columbia south of 49 degree indefinitely, or in other words forever. The stipulation reads thus: "From the point at which the 49th parallel shall be found to intersect the great northern branch of the Columbia river, the navigation of the said branch shall be free and open to the Hudson's Bay Company and to all British subjects trading with the same, to the point where the said branch meets the main stream of the Columbia, and thence down the said main stream to the ocean," et cetera.

Here, sir, is a grant of free navigation, limited indeed in its use, but unlimited in its duration. It is to endure as long as the Hudson's Bay Company shall endure, and to ascertain the longevity of the one we must seek to ascertain the longevity of the other.

The Hudson's Bay Company was incorporated by Charles the Second, by a charter dated May 2, 1671. The third section of that charter provides, that "The persons named, et cetera, shall be one body, corporate and politic, et cetera, in deed and in name, et cetera, really and fully forever, et cetera. And the twelfth section provides, that the corporation shall enjoy et cetera, all and singular the premises hereby granted, with their and every of their rights, members, and jurisdiction, prerogatives, royalties and appurtenances whatsoever, to the, et cetera, and their successors forever, et cetera, paying yearly to us for the same, two elks and two black beaver, whosoever et cetera we our heirs et cetera shall happen to enter into the said country, et cetera.

Thus we find the corporate life perpetual; and applying the charter to the treaty, we have the true measure of the obligation, which this stipulation will impose upon us. No one in this body will deny that the grant is without limitation, and will exist as long as the grantee exists, unless there are restraining circumstances, which will reduce this broad term forever within narrower limits."

No objection was raised to that point in the United States senate. It was recognized at that time that this right of navigation to Canadian citizens from the upper reaches of the Columbia to the sea was granted forever.

I wish to quote from an editorial in the London *Times* of 1846, written in an attempt to pacify and mollify British opinion, which was somewhat aroused owing to the loss of the Oregon territory through the signing of the treaty. This is what the London *Times* had to say:

This would be a concession as far as superficial area of ground is concerned. It would leave the United States master of the greater part of Oregon. But it would secure the principal advantage of the country, the free navigation of the Columbia to the servants of the Hudson's Bay Company, as well as harbourage, anchorage, and settlements for English vessels trading with China and our possessions in Australia and New Zealand forever.

There we note the *Times* wishes to pacify British public opinion by pointing out that although they have lost a certain area of land they have retained forever this right to navigate the Columbia from its source to the sea, through United States territory.

What is the position at the present time? We know that in recent years there have been power developments on the Columbia river. Dams have been constructed, and it is proposed to construct others. The development of the water resources of the main stem of the river in the United States is planned by means of ten dams, three of which—Grand Coulee, Rock Island and Bonneville—are in operation; one, McNary, is under construction; one, Chief Joseph, is authorized by congress; three—Priest Rapids, John Day and The Dalles—are being recommended for authorization at the present session of congress, while the remaining two are potential projects with respect to which plans have not been finalized.

The building of the Grand Coulee dam affected our access to the sea, and that is the one with which I wish to deal at the present time. It is the one which prevents navigation from Canadian territory to the sea. Americans are developing navigation of the river from the sea to Grand Coulee. Deep-sea vessels come some distance up the river; then river craft are used for carrying the natural resources of that area to the sea. The building of the Grand Coulee without locks has prevented navigation to the sea.

Construction of the Grand Coulee dam, 151 miles downstream from the international boundary, was initiated in 1933 by the United States government and the dam was substantially completed late in 1941. This structure, which rises 550 feet from the bottom of the river, was built for irrigation and power purposes. The operating head on the power plants is 348 feet and provision is made for a total installation of 1,944,000 kilowatts, of which 972,000 kilowatts are in operation. Installations under way will provide additional blocks of 324,000 kilowatts in each of

the years 1949, 1950, and 1951. Neither navigation locks nor fishways are provided, but provision is made for transferring salmon from the downstream side of the dam to tributary waters in the United States.

Now, it appears that, regardless of article II of the Oregon treaty, no representations of any kind whatsoever were made by any Canadian government to the government of the United States to protect Canadian interests. In this connection I wish to refer to *Hansard* of June 13, 1935. This matter was first mentioned in the house by the former member of New Westminster, Mr. Thomas Reid, who took a great interest in it because of his general interest in the Pacific salmon fisheries. He has always been interested in wanting to find out the effect of the building of dams, the damming of waters, on the spawning of fish, so far as the salmon industry is concerned.

I would ask the house to bear with me while I quote from page 3590 of *Hansard*, June 13, 1935:

Navigation of Columbia River

Mr. Reid: "According to a treaty entered into in 1846 between the United States of America and Her Majesty on behalf of Canada for the settlement of the Oregon boundary, in clause 2 thereof, it was expressly agreed that the Columbia river and its branches were to be kept open for the free use and navigation of all British subjects from the 49th parallel of north latitude to the Pacific ocean,—

1. Is the government aware that the provisions of this clause have been violated?

2. If so, what steps have been taken to protect the interests of the Canadian people so as to keep inviolate the provisions of the treaty and particularly clause 2 of the agreement?

3. If not, will steps be taken to see that the terms of the treaty are lived up to in every particular?"

Mr. Bennett: The question does not quite correctly state the terms of the treaty of 1846 for the settlement of the Oregon boundary. The second clause of the treaty reads as follows:

"From the point at which the 49th parallel of north latitude shall be found to intersect the great northern branch of the Columbia river, the navigation of the said branch shall be free and open to the Hudson's Bay Company, and to all British subjects trading with the same, to the point where the said branch meets the main stream of the Columbia, and thence down the said main stream to the ocean, with free access into and through the said river or rivers; it being understood, that all the usual portages along the line thus described, shall in like manner be free and open."

The government is fully aware of the development which is taking place in the lower Columbia river, in the United States of America, and of the possible relation of that development to article II of the treaty. It would not be in accordance with public policy for the government to state at this stage whether or not they are of the opinion that the treaty has been violated or may be violated by the completion of the construction plans which are under way. The question will continue to receive the attention of the government.

Although Mr. Bennett replied in that manner at that time I do not think any one can find evidence that the Conservative government headed by Mr. Bennett of that day or the Liberal government since, has made any representations to the United States in respect to the violation of article II of the Oregon treaty and with respect to Canadian interests and rights.

The objections to the effects of the dam are two. There is interference with the salmon coming up to the upper reaches of the Columbia for spawning purposes, and there is interference with navigation to the sea. I realize that the direction of development has changed since early days, even since 1914, when there was considerable discussion concerning navigation on the Columbia; but I do not think that, in view of the fact that we surrendered a right which had been extended to us forever in article II of the Oregon treaty, the government of Canada should have attempted to protect our rights and to obtain some reasonable compensation.

I submit that all governments of Canada have failed to realize the immense developments that are possible in the Columbia river basin on the Canadian side of the boundary. In the past they have failed to give attention to the potential value of that rich and productive area. A satisfactory development of the Columbia river basin depends upon joint action by the governments of the United States and Canada. I am quite certain that if the government of this country approached the government of the United States our claims would receive reasonable consideration. I know personally that officials of certain departments of the United States government were quite surprised when no protest was made by the Canadian government about the violation of the Oregon treaty and the interference with fish coming up to the upper reaches of the Columbia.

This matter is important to the constituency which I represent, and to the surrounding constituencies, as well as to the people of British Columbia and the Canadian people generally. I submit that under the circumstances we are fully justified in making a claim for adequate compensation for the surrender of those rights.

The residents of my constituency are much concerned about the continuance and improvement of steamship service on the Arrow and Kootenay lakes. We realize that for many years the Canadian Pacific Railway operated a splendid service on these and other interior lakes, but since the building of the new lines traffic has lessened and the service has gone downhill because it is being operated at a considerable loss. In view of this situation with regard to the Oregon treaty, the loss of our right of navigation and other rights, I should like to make two or three suggestions.

I urge the government to bring this matter to the attention of the United States government where I am sure it will receive favourable consideration. If adequate compensation is obtained for the loss of the right granted to us forever in article II of the Oregon treaty, I suggest that it would be fitting indeed if that compensation were used to subsidize a further development of the steamship service on the Arrow and Kootenay lakes.

While it may be argued that I am somewhat local in my point of view, I think it must be admitted that this steamship service on the Arrow and Kootenay lakes and on other lakes in the interior of British Columbia constitutes a great tourist asset. As Canadians we would be making a great mistake if we permitted this service to lapse. Not only is it of value to the people there in making their living; it is of great value to the people of British Columbia and Canada generally as an unusual tourist attraction.

Finally, in order that the British Columbia point of view may be considered with complete knowledge and understanding as a result of direct contact with the people of British Columbia and a knowledge of British Columbia conditions, I urge again that the government consider appointing a qualified British Columbia resident to the joint international commission.

Mr. J. I. Hetland (Humboldt): Mr. Speaker, being a new member I hope that you will bear with me if at times I get out of order. I am a westerner from Saskatchewan, one of those fourteen members, and as such I am greatly interested in agriculture. Before I go any further I should like to say that we in Saskatchewan were greatly concerned about the health of the Minister of Agriculture (Mr. Gardiner). During the time he was in hospital I was amazed at the number of people who came to me from all parts of my constituency and expressed great concern about the minister's health. The agriculturists of this country know that they have a champion in the person of the minister. Before June 27 a number of people from the different parties came to me and said that they were quite satisfied with the way the Minister of Agriculture had handled our produce and our agreements in the years past. Because those views were held they voted for me accordingly and I am here today.

I am glad that I won and I think that is natural for any one who tries to win a race or any contest. I have always been interested in the east and I think the west should become better acquainted with it. We in the west certainly need the east and I think you in the east need the west. I think it would be a good thing if we could meet more often with people from the east. I have as deskmate the hon. member for Beauharnois (Mr. Cauchon), and if the other eastern members are like him at all I think we shall get on very nicely.

We have made a study of your problems in the east, particularly those of Newfoundland and the maritimes, and I think you should also study our problems, because that is the only method by which they can be solved to our mutual advantage.

I do not live very far from Saskatoon. We have a forestry farm near there, and it is a beautiful little spot. Thousands of people visit it every year. It has been suggested that a paved road be constructed to that forestry farm in order to keep down the dust. There is nothing more discouraging to a superintendent than to see fine grey dust settling on his flowers, his lawns and his trees. It takes a lot of moisture to keep them in good shape. I should like to offer a suggestion. If we cannot get a paved road, which naturally costs quite a lot of money, there is a great deal of oil in the constituency of the hon. member for The Battlefords (Mr. Bater), and I believe the government should consider oiling these gravel roads. The cost would be small. With a certain amount of money they could cover quite a large area. That would serve my purpose. I think we would attract more people by hundreds to that very beautiful spot.

It has also been suggested that little cards be printed for use when crossing the boundary. I happened to pass through Kingsgate about six weeks ago. I drove up to the customs office. A lady came out and said, "You will either have to eat those peaches or destroy them." Because of that, the ladies in my party ate too many peaches, and they were quite incensed. Therefore I believe the idea of printing little cards is a good one, telling about the danger of bringing in fruit diseases into this country.

I have been sitting in the house for the last week, and have been quite amused at the way some of the backbenchers get after the government. They remind me somewhat of backseat drivers. You know what that means. If a backseat driver keeps pushing and prodding the driver he can be almost a menace. When I say that, I refer to some members, not all. I should like to point out to those members that in the driver's seat we have a man quite capable of driving, the Prime Minister (Mr. St. Laurent), a man who has good judgment. He will not break any speed laws. He will keep within the speed limit.

Mr. Knowles: He is not in that much of a hurry.

Mr. Hetland: We will get there safely and at the same time our car will be in good shape, which is very important.

Because I am a Liberal I believe in the Liberal government, and in the next four years I look forward to great things; I look forward to the future with pleasure and confidence.

Mr. Donald M. Fleming (Eglinton): Mr. Speaker, this is the first opportunity I have had, and I should like to embrace it, to extend to you my very hearty and sincere congratulations on your election to the high office that you hold.

It is in no perfunctory sense that I likewise extend very cordial congratulations to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address which is now under debate. The hon. member for Nicolet-Yamaska (Mr. Boisvert), in moving the address, made certain remarks in which I took particular interest. At page 15 of *Hansard* he said:

> The French spoken in Quebec is not the fancy French spoken by the Parisian. It is the old French of the seventeenth century, which we jealously safeguard, knowing that from the standpoint of basic French it compares with Parisian speech.

(Translation):

Mr. Speaker, I sometimes feel the urge to deliver speeches here in the French language. I do not know if the French I use is invariably the seventeenth century idiom as also spoken by the hon. member for Nicolet-Yamaska (Mr. Boisvert).

As a matter of fact, in the course of his visit to my riding during the recent election campaign the representative for Quebec South (Mr. Power) referred to the French I use in this house as "the Sorbonne-Oxford brand of French spoken by the hon. member for Eglinton". I am not very sure but it is quite possible that my French is simply Toronto French.

Now, Mr. Speaker, every time I make a French speech in the house, I do so as evidence of my sympathy with my French-speaking fellow citizens. That is my modest personal contribution to national unity and to the mutual respect felt by the two great races that have built our beloved Canada.

(Text):

I should also like to extend a special and very warm expression of congratulations to the Prime Minister. One would not wish to subtract anything from his triumph, which has been fully recognized in all parts of this house. There is one aspect of that triumph to which I should like to make special reference because I think it is a matter of direct interest to all members of the house. It is certainly something that I am sure is of direct interest to all Canadians. In the political success which the Prime Minister has enjoyed, and which has been crowned so effectively by the Canadian electorate, I think the name of Madame St. Laurent is deserving of very special and grateful mention on the part of us all because of the very gracious and very great contribution which she has made to her husband's career. As one who counts himself honoured to be acquainted with the members of the Prime Minister's family, I want to say to him that in this country, whose greatness after all depends upon the strength of the Canadian home, his family has been a great credit to him, and as the head of that family he has been a model of the Canadian father and husband. It is worthy of mention also that the leader of the opposition and leaders of the other parties in this house can be congratulated upon the same score. I think that is a matter for pride on the part of the Canadian people and on the part of this Canadian House of Commons.

I do not propose today to discuss at length the terms of the speech from the throne. So far as it is indicated in that speech that measures are to be introduced at a later date, they can best be discusssd when the full measures are before us. I believe I shall make a contribution towards shortening the debate if I confine my remarks to several subjects on which direct action appears not to be contemplated and to one upon which action is contemplated in the speech from the throne.

In this country we congratulate ourselves, Mr. Speaker, on the improvement that has occurred in external relations during the past year. It is not quite a year ago that I had the privilege of traversing most of the countries of western Europe and of seeing there the beginning of the recession of communist influence. In a large measure this has been due to the show of united strength and determination on the part of the United Kingdom and the United States to stand up to Russian aggression. It has been due also to the generous assistance rendered by the United States to those countries west of the iron curtain. Marshall aid has performed an invaluable service in the recovery of those western nations and in their determination to resist any further westward march of communist aggression.

We have been taught one lesson, Mr. Speaker, and taught it clearly and emphatically. It is that those who direct communist aggression in the world today do respect strength. They respect determination; that has been abundantly shown. The Atlantic pact has already borne useful fruit. Now that it has been followed by the decision of the United States congress to aid in the rearmament of Europe we may look forward

with a measure of confidence to the restoration of better conditions, and to the checking of further communist designs in the west. Unhappily the same cannot be said of conditions in the far east. At any rate, the determination of the western nations to mass their strength to resist aggression has borne fruit and we applaud the results of the Atlantic pact.

Since this increased security and peacefulness have been enjoyed in the western world, peace seems to have permeated the atmosphere in this chamber. Since the opening of the session all has been peace, all has been tranquil. It is difficult for those of us who sat in the last house to adjust ourselves to this placid atmosphere. It may be that, in the past, it has not been my part always to contribute to the placidity of the debates in the house, but at this point I wish to say that I do not wish to subtract anything from the high plane on which my leader opened the debate on Monday.

I turn to the subject of trade, which is recognized as one of vast importance to all Canadians. The average Canadian has a greater interest in international trade than the citizen of any other country in the world. We have been through a crisis, and it is still with us. It is a crisis in trade, Mr. Speaker. The timing of the crisis, I am afraid, was one of the things that may have guided the government in the selection of June 27 as the election date. I am not going to go back to review election issues, I want to make that clear. They are all water under the bridge now, but I do consider it the duty of members of this house to take cognizance of events that have transpired since the election.

The last reference to the subject of trade prior to dissolution in this house was made by the Minister of Trade and Commerce (Mr. Howe) on April 25 and is recorded at page 2520 of *Hansard*. In reply to a question he said this:

> The present state of our markets in the United Kingdom is quite normal.

He went on to say that his forthcoming trip to the United Kingdom was simply for the purpose of taking part in the opening of the British industries fair, not for any reason having to do with a changed situation in respect of British trade. We have his statement that trade with Britain was normal. You will realize with what surprise, then, just three weeks later in Toronto, I heard from the Right Hon. Harold Wilson, the president of the British board of trade, these words:

> We have reached a critical situation in Anglo-Canadian trade.

Those are the words of the opposite number of the Canadian Minister of Trade and Commerce just three weeks after the minister's remarks in this house. Of course, Mr. Wilson was right. There was a crisis in Anglo-Canadian trade but the crisis was not admitted by this government until after the fateful day of June 27.

Our exports to the United Kingdom last year as compared with the previous year dropped by $67 million. During the first seven months of this year our exports to the United Kingdom have undergone a further reduction. But reductions more grave than these in their portent were announced on July 14 by the Chancellor of the Exchequer when he stated that Britain had found it necessary to reduce her spending in United States and Canada by $400 million during the current fiscal year. Imports of tobacco, cotton, timber, paper and pulp, non-ferrous metals, steel, copper, raw materials, machinery, manufactured goods and sugar would be affected. An official of the Department of Trade and Commerce, speaking to the press in Ottawa, is quoted in the press on July 15 as saying this:

> He estimated on the basis of Sir Stafford Cripps' announcement in London cutting the United Kingdom's 1949 dollar purchases by 25 per cent, Canada would lose by sixty to eighty million dollars this year. "If the slashes continue, then next year—1950—will be the crucial year," the official said. A continued 25 per cent cut next year in Canadian exports to the United Kingdom would mean the loss of more than $100 million.

That is full of the gravest portent for Canada and particularly for the Canadian primary producer. The disastrous effects of that decision cannot be overestimated in this country.

We must remember to what extent ERP has continued to maintain our exports to Great Britain. Up to July 31 the United States had appropriated through ERP for the purchase of commodities in Canada $785 million. The $785 million allotted to Canada represented 38 per cent of the total offshore authorizations made by ERP. Shipments to the United Kingdom up to that time had amounted to $648 million.

The continuance of ERP means so much to the economy of this country. When the Canadian Minister of Finance (Mr. Abbott) went to the United States recently to participate in the Washington discussions, I am sure it was a matter of great satisfaction to all Canadians that he returned with a tentative assurance that the United States would be prepared to appropriate $175 million for the continued purchase by Great Britain of Canadian foodstuffs, particularly our wheat.

I do not wish to leave this subject without emphasizing this, that the events which have occurred since this house was last in session

on April 30 have abundantly justified and vindicated what we in this part of the house said then in warning of an approaching crisis in Canadian trade.

Devaluation, Mr. Speaker, is not the whole answer to the problem. If Great Britain's purchases from Canada continue to be seriously reduced as is now threatened, regardless of whether devaluation had or had not occurred, we would still face a critical situation. However, devaluation has occurred and the purchasing power of the pound in the Canadian market has been reduced. The pound is now worth only $3.07 in the Canadian market whereas formerly it has been quoted at $4.03.

This afternoon I marvelled at the jaunty air of the Minister of Trade and Commerce (Mr. Howe) when asked a question about the effect of this reduction in the purchasing power of the pound in Canada on British purchases from Canada, particularly our foodstuffs and raw materials, when he shrugged it off and said that that is making an assumption, as much as to say: "Well, who can say that it does mean any reduction in British purchases in Canada?" Does any serious person think that the reduction in the purchasing power of the pound in the Canadian market will not be reflected in reduced purchases of Canadian goods?

Mr. McIlraith: That is not the assumption that was in the question.

Mr. Fleming: That is the implication that was in the question, if the hon. member will have regard to the question.

Mr. McIlraith: I have. I have read it carefully and accurately.

Mr. Fleming: Then I am sorry that the hon. member has not more intelligently interpreted the question, because the whole purpose of it was to invite the Minister of Trade and Commerce to indicate what steps, if any, the government might have in mind in view of the fact that we are being faced with a reduced purchasing power of the British pound in the Canadian market.

This matter of the ten cent devaluation of the Canadian dollar is no final solution of our problem here. It is only an incident and nothing more. As a matter of fact, our own Minister of Finance (Mr. Abbott), on arrival in England on July 19, was asked about the possibility of cuts in the value of the Canadian dollar. As reported in a Canadian press dispatch from London, he said:

> I do not think dollar cuts are a sure cure for anything. There has to be a positive solution.

Sir Stafford Cripps on June 7 made this statement at Blackpool:

> You cannot possibly find any solution to our present problems by juggling with money, incomes or finances or fiscal measures.

[Mr. Fleming.]

Those are words with which I think no one can take issue. This is not a solution. As a matter of fact, everything that was wrong before in our exchange relationships continues fundamentally, because the rigidity is there, as is the artificiality and the attempt by government to manage trading relationships. Those things are all there. We have made no step whatever toward the restoration of convertibility, and convertibility must be our goal. We may not be able to achieve that goal today or next week, but our efforts—and Canada has a mighty stake here—must be directed towards achieving the convertibility of exchange. We shall not achieve that end simply by trying to retain all this artificiality in our exchange relationships, all these attempts by government to master-mind the whole of our exchange relationships. We have seen that it just does not work. Britain tried it. The Chancellor of the Exchequer has tried it and he has failed. Surely we have seen that nowhere in the world in any government are there minds big enough to be able to master-mind the trading and exchange relations of the world.

Before I leave this subject of devaluation, Mr. Speaker, may I say that it is quite apparent that we are to be faced with more restrictions on trade. We have had an intimation of that already from the Minister of Trade and Commerce in a statement he made on July 13 in which he indicated that more import restrictions on United States goods might be expected. We have had it also in a recent statement made by the Canadian high commissioner, Mr. Dana Wilgress, at the conference that is taking place at Annecy.

There are two matters that I just wish to mention before leaving this subject of devaluation. I wish that the government could take some account of the plight of the imperial pensioners in this country. They will suffer seriously as a result of the reduction in the purchasing power of the pound sterling. I wish that the government could also take account of the plight of those who have immigrated to Canada from the United Kingdom in recent years and who, under the United Kingdom exchange control regulations, are permitted to withdraw from the United Kingdom only 250 pounds per annum for the first four years of their residence in this country. This devaluation will mean a serious crimping of the means of those who have immigrated to this country from the United Kingdom since the war, and it will also probably have a discouraging effect on others who may be purposing immigration to this country, bringing with them needed skills.

I mention briefly the subject of gold because reference was made to that yesterday in the statement made by the Minister of

Mines and Resources (Mr. Gibson). The gist of the statement he made is that, having regard to the fact that, in consequence of devaluation gold has increased by ten per cent or $3.50 per ounce, a corresponding reduction is to be made in the subsidy paid to producing gold mines under the Emergency Gold Mining Assistance Act, commencing January 1. I submit that this statement indicates that no adequate account has been taken by the government of the fact that the restoration of the ten per cent discount on the Canadian dollar has simply had the effect of restoring the price of gold which Canadian gold producers received up until the time of the devaluation in June, 1946. In that intervening period the costs of gold producers in Canada have increased at least thirty per cent. They are now given a restoration of the price that was reduced by ten per cent at that time, and now the government says: You must accept a corresponding reduction in the benefits that were promised to you under this three-year act.

As every hon. member of this house knows, the act gave assistance to the producing mines but it did not give assistance to development work carried on apart from the big gold producers. I am waiting for some members representing constituencies in northern Ontario and supporting the government to rise in this house and make some plea for assistance to the gold mining industry. Believe me, Mr. Speaker, it is not just a question of assisting the stockbrokers in Toronto. I am not making any plea for the Toronto Stock Exchange. I am making a plea for the recognition of the difficulties of an industry which means a great deal to the economy of this country and which contributed substantially to pulling this country through the depression of the thirties.

A great and well-informed Canadian recently had something to say about the failure of members of parliament to recognize what the gold mining industry has contributed to Canada. I refer to Dr. Charles Camsell, former deputy minister of mines and resources. In a prepared address that was delivered at Oxford on July 14 last, he is quoted as saying this to the fourth Empire Mining and Metallurgical Congress:

> Many of Canada's legislators do not appreciate to what extent gold has been responsible for the development of Canada . . . "The influence of gold on our Canadian economy has been vastly greater than mere production statistics would indicate." A casual trip through the belt extending through northern Ontario and Quebec revealed the influence of gold deposits in developing the country and making it possible for permanent industry or agriculture to "live and thrive." Canada today needed strong mining industry more than ever before, particularly for strategic reasons.

Then going on to speak of the northwest territories, Dr. Camsell said:

> I know of nothing that will take any considerable body of population into that country except the lure of gold or some other mineral such as uranium.

When he spoke in northern Ontario in the election campaign, the Prime Minister (Mr. St. Laurent), gave certain assurances to the gold mining industry as to the extension of the benefits of the Emergency Gold Mining Assistance Act. I take it that these assurances are to be given legislative effect, notwithstanding what was said yesterday by the Minister of Mines and Resources (Mr. Gibson). It may be that these assurances were what he was referring to in the concluding paragraph of his statement, although, sir, it is not altogether clear.

I should like to turn briefly to the subject of housing to make preliminary and passing comment upon the statement made in the house yesterday by the Minister of Reconstruction and Supply (Mr. Winters). It is quite obvious, Mr. Speaker, that we must wait for the legislation which he indicated in his statement, before being able to make a completely considered statement upon the policy that the government announced. The statement, while timely, was perhaps inevitably vague, and I do not propose to make detailed comment upon it until I see the legislation.

There are one or two features of it which the house will receive with pleasure. The first is that, at last, the government is recognizing we have not in this country been keeping pace with the housing problem. The minister said as much in his statement yesterday. Statements have been made by responsible officials before this. Last April we had a statement by the assistant general manager, Major-General Young, of Central Mortgage and Housing Corporation, when he said that Canada's housing situation is getting worse instead of better. At last, Mr. Speaker, we can apparently expect an end to these airy statements which we used to hear so often from the government about the improvement in housing conditions, and the worst being over, and our having passed the hump—statements that bore no relationship to reality. At last we have an admission of the fact that the problem has been growing bigger. The fact that at last we have that admission is encouraging.

The second thing I should like to say about the statement is this. The dominion government has accepted, in terms clearer than we have heard hitherto, at least a measure of responsibility in connection with housing. We have heard so many denials of responsibility, so many statements to the effect that it was the responsibility of the provinces, that

this indication of some proposed limited assumption of responsibility on the part of the dominion in respect to housing conditions in Canada is indeed welcome.

In the third place, if the statement is to be considered as going the full way and justifying the interpretation that has been put upon it in some quarters, that the government is willing to assist in providing for subsidized housing, then the government has gone a long way since October 27, 1947, when the Prime Minister said, "No government of which I am a part will ever pass legislation for subsidized housing". The statement made yesterday represents an advance and I am sure the house will welcome it.

In the fourth place, I would like to comment on the fact the statement does recognize that this country must look to private enterprise to provide in principal measure the answer to the problem of the lack of housing.

I wish to make a special observation, sir, on the proposal to assist in the purchase of new houses by contributing an additional mortgage advance of one-sixth of the building loans provided for under the National Housing Act so as to help to bridge the gap between the present loan under the National Housing Act and the purchase price of a house. The house will welcome this, but the house will regret that the government has been so long in doing something that it obviously ought to have done long ago. The need was there. The need was debated in this house. I well remember hearing the then hon. member for Vancouver-Burrard, the distinguished Mr. C. C. I. Merritt, whose absence from this house today I deplore very greatly, more than once pointing out to the government the great deficiency which was being created in our housing measures by the fact that the government, through the Central Mortgage and Housing Corporation, was giving a very rigid and unsympathetic interpretation of the provisions of the housing act. In section 4 the National Housing Act deals with the extent of the loans which are permissible under part I. It bases this upon the percentage of lending value, but the lending value as administered by the government agency did not bear a close relationship to the cost of construction. In that way, by writing down the lending value of the house, the government agency created that big spread between the price of the house to the home owner and the amount available to him by way of loan under the National Housing Act.

The province of Ontario took action two years ago to fill that gap in dominion legislation, a gap which this parliament and this government, which are responsible for dominion participation in redress of our housing problem, should not have permitted to continue. But now at last the government invites us to believe that a new day is dawning simply because it is moving now to copy the example which the government of Ontario gave two years ago when my leader was premier of that province. Yes; it was this government and its agency which largely nullified the intent of parliament and the National Housing Act, necessitating this additional provision of dominion assistance, which this house will welcome, although it will be regarded as too late.

More will be said on this subject when the house has the bill before it, and there will be an opportunity of reviewing what the government's proposals, are, if any, to assist in slum clearance, to assist in the provision, in greater supply, of needed building materials, and precisely what they propose to do in the statement they have made in regard to assisted rentals, always bearing in mind, sir, that just as important as legislation will be the spirit behind the administration. If there is drive and determination behind the administration of this legislation we can look for some improvement. If there is to be lackadaisical administration, if the government is to countenance, as it has done at times in the past, the nullification in part of measures that parliament has approved, simply because it has not put drive behind those measures, then I think the house will expect to call the government to account.

I shall mention just one other subject because my time is passing quickly. I refer to communism. In the speech from the throne there is only one reference to the subject of communism, and it is in these words:

> The menace of communist totalitarianism continues to threaten the aspirations of men of good will.

The measures which the government has in contemplation with respect to this menace of communism apparently are external only. There is no suggestion in the speech from the throne about any measures which may be taken within the four corners of Canada to combat this menace of communism. We congratulate organized labour in this country on the determined steps which it has taken in recent days to expel communism from its ranks, to combat this evil menace. Their example might well inspire this parliament. I recall that the Secretary of State for External Affairs (Mr. Pearson) had this to say in his speech at Montreal on July 19, as recorded in the press. He told the Montreal Rotary Club:

> The domestic threat of communism must be met "by strengthening, if necessary, our criminal code against actions which threaten the security of the state."

I scanned with interest the speech from the throne to find any indication that we were to strengthen the Criminal Code against actions which threaten the security of the state, on the part of these communist enemies of Canada who are working within our midst.

I found no such indication, however, and when he returns to his place in the house from the important duties he is discharging elsewhere I hope that the Secretary of State for External Affairs will have something to say in support of legislation to strengthen the Criminal Code, the necessity of which he admitted in the speech he made in Montreal on July 19.

Sir, failing that there will be, I trust, further opportunity at this session to raise that question. Because, believe me, resolute action within this country—by democratic methods, yes—must accompany our efforts in the external field to combat the ravages of aggression by communist totalitarianism.

I do not need to repeat what has been said in the house about the responsibility of the opposition. The vast government majority puts a heavy responsibility upon those of us who sit in this part of the house. We will not be daunted by the fact that government supporters not only fill the side of the house to your right, Mr. Speaker, but overflow to this side in numbers greater even than the official opposition.

Those of us who sit here have Liberals in front of us, Liberals to the right of us and Liberals in a hurry to the left of us. We are surrounded by Liberals, and Liberals in a hurry. But, sir, we have no intention of being daunted; we have no intention of being turned aside from performing that duty which the Canadian people expect of us. Whether they are numbered among the 1,742,000 electors who honoured us with their support, or whether they voted for other candidates, nevertheless they appreciate and will insist upon the importance of the duty laid upon His Majesty's loyal opposition under our parliamentary system.

Mr. Alistair Stewart (Winnipeg North): Mr. Speaker, the hon. member for Eglinton (Mr. Fleming) has commented upon the tranquil atmosphere which has descended upon the House of Commons. For a moment or two I thought he was going to break that atmosphere of tranquillity. Now there are certain dangers in an atmosphere such as that, because a legislative body can become embalmed in tranquillity. In some ways this government has already reached that stage.

Today I am going to speak on certain matters of policy about which the government can feel no tranquillity at all. First of all I should like to refer to the statement made respecting housing by the Minister of Reconstruction and Supply (Mr. Winters). I shall comment upon this at some length. I think we know from his statement just what the government's policy is, and what its intentions are. My only hope is that the policy will show improvement by the time the legislation is brought before us.

I listened carefully to his statement. In common with many others I have read it even more carefully. As I read it and thought it over it became obvious to me that although the mountain had groaned in the pangs of birth something considerably less than a mouse had been born.

For some weeks the minister travelled across the country from city to city. On the one hand he may have been a peripatetic record of "his master's voice." On the other hand he may have been trying to find out some of the facts of life about housing in this country. But what he displayed to us yesterday in the way of policy certainly was not very encouraging. In almost every city he went to he delivered an address which dealt with the fact that he was proud of the record of his government. I am not surprised at that pride, because I have found so many Liberals who worship the very ground their heads are buried in.

Even during the election campaign we were told how proud the government was of the fact that 81,000 new housing units had been constructed in this country. They kept careful silence about the other fact that there were 90,000 new families in Canada, families created either by the marriage of Canadians, or through immigration to this country. And there was even greater silence over the fact that the average cost of those homes in this country must have been in the neighbourhood of $7,000—and I think that is a rather conservative estimate. In my constituency the average wage is between $37 and $38 a week. I fail to see how a man earning that sum, with prices as they are, and with the cost of living as it is today, could possibly hope to buy a house—even with the reduced down payment—costing at least $7,000. And until the government tackles that problem it is merely toying with the housing situation as it exists in Canada today.

In the minister's statement I detected certain changes of mind—at least I hope they were such. For instance, I recall one of the lengthy debates we had in this chamber in 1946 on the subject of housing. At page 3686 of *Hansard* for July 22, 1946, the then minister of reconstruction and supply said this, concerning housing:

> This government, as a matter of policy, is not prepared to introduce subsidies either in the form of a grant towards capital cost or subsequent contributions to a rent reduction fund.

I would be the last to say that the government is eating its own words; but at least it would seem that it is starting to nibble at them. And I should hope that there would be some further enlightenment upon this matter of subsidies when legislation is brought before the house.

A year after that was said the then Secretary of State for External Affairs, who is now Prime Minister (Mr. St. Laurent), speaking at a meeting at McMaster university on November 4, 1947, said this:

> I am against subsidized housing because it would be available to a few privileged ones.

There I say the right hon. gentleman showed a complete lack of appreciation of the housing problem, and how it can be handled in this country. Then he went on to say—and with a horrible reflection upon some of his colleagues—

> It would be risking temptation to put into the hands of politicians a few thousand houses which could be given to certain persons. It would be a temptation to buy votes.

As I say, the right hon. gentleman knows his colleagues much better than I do; but I am certain of this, that with any adequate housing scheme in this country certainly members of parliament would not have the responsibility of allotting a few thousand houses to individuals here and there. If the job is to be done properly it must be done at the municipal level, and all that parliament can do will be to authorize funds and supervise expenditures.

The report of the speech of the then Secretary of State for External Affairs goes on to say:

> He emphasized he felt it unwise to build and provide housing units at less than cost, repeating, "I'm against subsidized housing."

Apparently he has changed his mind—and the change, indeed, is a very welcome one. But there is another area in which there has been no change. At page 3688 of *Hansard* for July 22, 1946, the then Minister of Reconstruction and Supply said:

> Slum clearance, however, is considered to be inopportune at the present time. The requirement for shelter is so great that the government cannot afford to permit the destruction of livable shelter of any kind. Slum clearance will come later when the pressing need for the occupation of every housing unit is lessened.

How late is "later"? When is a "pressing need" pressing? In my constituency I have seen people living in chicken coops, garages, basements, shacks, garrets and shanties. When is "later"? I say we are entitled to know that.

Yet the present Minister of Reconstruction and Supply takes roughly the same attitude by stating that the time is not opportune to take the people out of the slums; the time is not opportune to give the people that dignity about which the Liberal party spoke so glibly during the campaign. One of the planks in their platform—an admirable one indeed—was their belief in the dignity of man. There is no dignity in man when you compel him to live in a slum. There can be no dignity when you compel people to live in poverty. By the inaction of this government thousands of people must continue to live under these conditions. Does the government think that people like to live in slums? Does the government think that people prefer squalor, that they want to bring their children up under these wretched conditions rather than in decent homes? If so, it had better change its mind because such is not the case.

Yet the minister tells us that in 1949 although 100,000 new houses would be built in this country we would be barely keeping up with current needs and would be making no inroads into the backlog. In other words, the minister has condemned these people to live in slums and to continue to live in slums knowing that there is no method by which they can get out of them. If that is the policy of the government then it is time it was changed. The government has an unprecedented mandate to do the job: it has the power to do the job and there can be no excuse for not doing it.

I should like to give the minister a few facts about the situation in my own constituency of Winnipeg North. I am sure that the condition which prevails there is not unique to that city but can be duplicated in every city in this country. In one area, Point Douglas, 44 per cent of the houses have more than one person per room. When you have that situation you have overcrowding and, when you have overcrowding, if you have not a slum already you are starting to build one. But what is worse is the fact that in these overcrowded slum areas there is an obvious and serious increase in juvenile delinquency. As yet the only answer our society has for juvenile delinquency is to punish the delinquents. Those who should be punished are those who are responsible for creating the slum conditions which lead to juvenile delinquency. The answer is not to send these youngsters to prison; the answer is not to punish them; the answer is the awakening of the conscience of the community to the point where its responsibility is realized. We in this parliament of Canada are the voice of the communities of Canada and we cannot ignore our responsibilities.

Slum areas all across Canada are creating social casualties. Every time there is a social casualty who cannot be rehabilitated the responsibility must be laid squarely on the doorstep of this parliament, and especially of

this government which has the power to help. In this one area of Winnipeg fifty infants out of every thousand born will be dead at the end of the first year. Statistical records show that the infant mortality rate for Winnipeg as whole is 35. Therefore, because of the slum conditions and poverty in this one area, we are condemning fifteen infants to death. Yet we still prattle about our concern over human dignity and human life.

It is scandalous that a society should allow its human resources to be wasted in such a way. I can assure the government that the families of the poor have as much affection for their children as do the families making up any other group in this country. They suffer as much sorrow and heartbreak at the avoidable death of an infant as would any one in this chamber. And yet in this area in Winnipeg, as in other areas throughout the country, we have these slums and this increase in infant mortality which, as I said, is a shocking, scandalous and unforgivable waste of human life.

It has been said that statistics show that the slum population is moving. In my area the population is moving out of the slum areas, but what they are doing is simply to move from one overcrowded area to another. The population is moving but it is still doubling up and sharing accommodation with others. It is moving from one overcrowded area but is crowding another area and is spreading the wretched disease of overcrowding and potential slums further throughout the city.

I do not know whether the minister saw some of these slum conditions when he was in Winnipeg. If he had got in touch with me I should have been happy to have taken him around. I make to him the same offer that I made to his predecessor three years ago, and I shall willingly subsidize the minister. I suggest that he come to my constituency and live in a room in one of these slums. To make sure that he suffers adequately I shall give him $10 per week, which is what an old age pensioner gets. Let him live in that room amidst filth and vermin and dirt and then at the end of the week let him come back here and tell us that he adheres to the same policies.

According to the last report I have received, in Winnipeg there is not one vacant apartment; there is not one vacant suite; there are 22 vacant houses, eight of which are unfit for human habitation and 14 of which are for sale. Yet I have here a report of 56 families made up of 22 adults and 58 children, 80 souls in all who have to live in stores, garages, sheds, shacks and cellars; but we are told that the time is not opportune to remove slums.

On other occasions I have told this House of Commons of the conditions under which some of our people live. I have here the report of Mr. Austin, chief inspector of the sanitation and housing division in Winnipeg. He reports one two-and-a-half storey house containing eighteen rooms in which 17 family units live. There are two water closets, one bath, one wash basin and three sinks to take care of those 17 families. The comment of the inspector is very brief, as follows:

> Cooking and sleeping in every room. Unvented gas ranges.

Any one who has been in rooms like these knows what an unvented gas range can do to an infant lying in a cot or to a youngster who is brought up in that poisonous atmosphere. Here is another house of two and a half storeys containing 16 rooms in which reside nine family units totalling 30 people. There are three water closets, one bathroom, no wash bowls and five sinks. The comment is that the house is in very dilapidated condition, with defective plumbing and then there is the tremendous understatement that it is overcrowded and verminous.

There is another one-storey house of three rooms containing two family units made up of five men, six women and five children, 16 human beings in all. We are again reminded that there is gross overcrowding.

The next is a terrace of eight houses—88 rooms in all—in which reside 57 family units totalling 140 human beings. This terrace is reported to be in an advanced degree of dilapidation, continually in the city's hands for plumbing defects and so on. One could go on giving description after description of these houses in which people have to live against their wills. As I said, I have yet to meet a man or woman who wants to live in a slum out of choice and I repeat that this situation is not unique to Winnipeg.

The Curtis report which was published a few years ago should have warned, and indeed did warn, the minister of the situation. It said that for the next decade after 1946 there would require to be built in Canada 731,000 homes and that 543,000 homes would require substantial repairs in that time. According to the last statistical information in 1941 there were 650,000 farms that had no bathing facilities. Almost as many are dependent on outhouses for toilet purposes. In twenty-seven cities there were 281,000 houses with either no flush toilets or shared flush toilets. There are 428,000 houses with no baths, or baths which are shared. The housing shortage is not something new. The need for it has been evident for years, and yet the government apparently does not recognize its responsibility. It still depends upon private enterprise, and yet private

enterprise cannot be expected under any circumstances to provide the type of housing which is needed for the underprivileged third of the Canadian people who are earning less than $1,600 a year.

If these people are going to be housed adequately, then housing has to be subsidized; and since the financial power in Canada is in the hands of the federal government then the federal government must take the responsibility for the subsidizing of these homes. We know that the Canadian housing industry is one of the most inadequate and incompetent industries there is. It is still in the horse and buggy age. Therefore there should be some impetus on the part of the government towards improving the methods of building, and when the legislation comes before the house perhaps the minister will be able to tell us what has been done by way of research.

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

Mr. Speaker: With his permission.

Mr. Ferrie: May I ask a question?

Mr. Stewart (Winnipeg North): Surely.

Mr. Ferrie: Do you want all the material in the cities? You are talking about housing. Do you want to have all the material in the cities?

Mr. Stewart (Winnipeg North): I certainly do not want all the material in the cities. If the hon. member had been listening he would know that I was dealing with the situation about which I have firsthand information. I have some knowledge of the situation in rural areas, but any firsthand knowledge which I possess is of the cities. I said that the situation which exists in Winnipeg can be duplicated in other cities, and I also pointed out the lamentable lack of facilities on the farms. Certainly there are slum homes on farms as well as in the cities, and I want to see slum homes on the farms eradicated just as quickly as possible.

One of the things which I noticed in visiting some of these houses in the city was the prevalence of old age pensioners in slum homes. They had no desire to be there, but with the present pension of $40 a month they have hardly any other alternative. Furthermore, many of them in Manitoba were paying as much as $20 a month for rent which left them $20 a month, if they were lucky, to subsist on for the rest of the month. I am convinced that the government will yet adopt another measure which we have advocated for so long and increase the pension to $50 because the need is desperate. I am just as convinced that, despite the fact that the other night the government would not vote for the removal of the means test, and our amendment was defeated, they will yet be compelled to remove the means test. The government will also be compelled by force of public opinion to lower the age at which the pension is payable to sixty-five. I know many instances of men who have worked on the railroads, and who are retired compulsorily at the age of sixty-five, very often with a small pension of $25 to $30 a month. They have to live between the ages of sixty-five and seventy on that miserable pittance, and it is impossible to make ends meet. In their old age they are compelled to go out and seek further employment. That is not right. I do not think it is humane to expect our aged to go out to work for their living after they have reached the age of sixty-five.

Speaking of pensioners there is one other matter which has been brought up in the house on many occasions, and which I now bring up again, a matter in which the hon. member for Winnipeg North Centre (Mr. Knowles) and I have been interested. I refer to the men who went out on strike from the C.P.R. shops in 1919. Many of them had many years of employment with the Canadian Pacific Railway. In 1904 that company had instituted a non-contributory pension scheme. When there were wage negotiations between the men and the company, the company frequently informed the men that it was building up this pension plan, and that the men should accept payments into the fund by the company as an increase in wages. Very often wage increases which were well merited were not given.

In 1919 came the strike, and the men who went out on strike were rehired afterwards with complete loss of all pension benefits. I point out that the Canadian Pacific Railway is the only organization in Canada which has continued to discriminate against its employees in this manner. Representations were made repeatedly to the C.P.R., and in 1939 Mr. Coleman, then vice-president, said:

> We have kept in close touch with this matter for a considerable period of time, always encouraged by the hope that sufficient improvement might take place in the financial condition of the company as to enable us to realize a firm conviction which we have always held that, in such improved conditions at least, some relief might be forthcoming.

Heaven knows I can read a balance sheet, and the position of the C.P.R. has improved appreciably over the years. Yet there has been no alleviation whatsoever forthcoming.

As a result of the representations which were made to the government, the Minister of Labour (Mr. Mitchell) appointed an investigator, Mr. Johnstone, who in his report came to the conclusion that a royal commission should be appointed to investigate the matter,

but that was the end of it. The report of the investigator has been filed away. The Canadian Pacific Railway apparently is quite prepared to carry on without paying these men what is their moral right, and the government is doing nothing about it. The Minister of Labour is not in his place today. Therefore I shall not give certain opinions which I possess, but I think there is a moral responsibility on the part of the company to pay these men that which is their due and legitimate right.

There is one other matter which interests me, and which has been mentioned already by the hon. member for Lake Centre (Mr. Diefenbaker). A year or two ago the houses of parliament appointed a special joint committee on human rights and fundamental freedoms. I was a member of that committee, and I formed the opinion that it had been conceived in confusion, born in doubt, and unquestionably died of paralysis. Many of us had hoped that out of it there would come some lead towards giving the Canadian people a bill of rights, but we were wrong. I am only going to deal with one rather narrow aspect of the rights of the citizens of Canada at this time, but I should like to remind the house that under our constitution as it stands the government has the right to deport a Canadian citizen who was born in this country. Under the constitution as it stands there is the right to deny the vote to citizens of Canada because of race or colour. Under the constitution as it stands trade unions can be forbidden to affiliate with other bodies outside the province in which the unions are situated. Under the constitution as it stands individual Canadian citizens can be denied the right to work because of their ethnic origin, religious beliefs or colour. Under the constitution as it stands Canadian citizens can be denied the right to enter restaurants or resorts, again because of their creed or their colour.

That is a lamentable situation in a country such as ours, a country which is a nation of minorities. There is no one majority in Canada. We are all minorities, and where one minority is hurt obviously the rights of all are in danger. The rights of minorities have been gravely endangered in the past. Therefore to protect them it is essential that we have a bill of rights in Canada. On the committee on which I sat there was a very obvious conflict of opinion. There were those who argued that human rights came under the property and civil rights sections of the British North America Act. There were others like myself who argued that the human rights of the nation were the responsibility of the nation to safeguard, and the only way they could be adequately safeguarded was by the parliament of Canada.

I am indebted to Professor Frank Scott of McGill university, an expert on constitutional law, for much of what follows.

The house will remember that there was a universal declaration of human rights proclaimed by the general assembly of the United Nations on December 10, 1948. I am informed there is not much in this universal declaration upon which this parliament cannot take a stand.

Some have argued, so far as a bill of rights is concerned, that an amendment to the constitution is necessary. I was one of those who wanted an amendment to the constitution. Now I am willing to compromise on legislation because I think legislation would be better than nothing. It may be argued, "Well, legislation can be revoked by another parliament or by the same parliament". That is true. I think we ought to remember, however, that in the British House of Commons Magna Carta, habeas corpus and the bill of rights can be repealed by a single majority of the British house. That legislation has never been repealed. Indeed, it has proven to be of enduring value. Perhaps we may follow that example.

The aspect of human rights with which I wish to deal now deals with discrimination against minorities because of their race, creed or colour. I think there is one simple and quite elementary way of partially solving that problem. It is to make it a criminal offence to discriminate against Canadian citizens because of race, creed or colour. This would bring the whole question within the purview of parliament.

I should like to quote a page from an article by Professor Scott which is published in the "Canadian Bar Review" for May, 1949. He said:

> Where the criminal law power is but little used today, and where it might be better used for the protection of freedoms, is in regard to the creation of new crimes against freedom itself. It is a crime to disturb a religious ceremony, but it is not a crime, or at least as precisely defined a crime, to disturb a public meeting or to prevent the distribution of literature. It is a crime for employers to discharge an employee for trade union activities, but it is not a crime for them to use labour spies. It is a crime to libel an individual but not a crime to libel a group or race. It is a crime to hit any man over the head with a stick but it is not a crime to refuse to serve him a meal in a public restaurant or to refuse him a room in a hotel because of his race or religion. It is a crime for any public official, whether federal or provincial, to take a bribe, but not a crime for him to discriminate against races or creeds in granting licences or franchises. It would be wrong to imagine that freedom can be created merely by adding new crimes to the criminal code, but this is not to say that certain practices which violate human rights ought not to be made criminal where now they give rise only to

a personal action in damages if there be an action at all. The law can buttress moral principles, and make the path of the wicked more difficult. Thus there seems to be good sense in the suggestion of Mr. Varcoe to the joint committee of parliament, that a new section be added to the criminal code setting forth new prohibitions against interference with human rights.

I believe Professor Scott's ideas are worthy of consideration. I hope that, if not at this session then most certainly at the session coming, the government will once again set up a special joint committee on human rights, designed this time not to bring forth the frustration which was experienced but some practical solution to these problems of human rights which confront us. I should like to see that committee set up to consider ways and means whereby we could combat the terrible social consequences of religious intolerance and racial prejudice.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, it is a great pleasure on rising to address the twenty-first parliament of Canada for the first time to be able to congratulate you upon your selection as Speaker of this honourable assembly; in the first place because of our long personal friendship extending from the time when we came into the house together in 1935; and in the second place because of your activities in the intervening years, more particularly one activity of which the new members will not have heard. That was when from 1935 to 1945 you acted as the president, chairman and general dictator—and a most kindly dictator, may I say—of the veteran members of parliament and of the press gallery.

In that capacity you had no rules of order to help you conduct the meetings. If you had a sergeant-at-arms he was usually against you. Yet the meetings of that group of veterans of the house and of the gallery were the finest and friendliest gatherings there have been since I came here in 1935. Those of us who remain of that group are more than delighted that you are now the Speaker of this assembly. We know that you will show not only fairness and dignity but also a deep human understanding and great kindliness. I am quite sure that your name will go down in history as that of one of the great Speakers of the House of Commons of Canada.

Then too there is something inspiring in having in this parliament members from Newfoundland. As I listened yesterday to the remarks of the hon. member for St. John's West (Mr. Browne) I thought that he brought to this chamber a breath of fresh air, an idealism, an oratorical type of speaking and a broad outlook which will contribute greatly to the deliberations of this assembly. I have no doubt that the other members from Newfoundland will be of the same calibre. But speaking as a member who comes from the other remote part of Canada, the other part of Canada which is thousands of miles away from Ottawa, I should like to give them a tip, and it is this. When you have some problem facing Newfoundland upon which you need action here in Ottawa, be sure to "gang up" on whatever government may be in power. We in British Columbia have found that procedure pays good dividends when there is a problem that has to be handled. I see my old friend the Minister of Public Works (Mr. Fournier) is here, and I would remind him of Ripple Rock. The removal of Ripple Rock is a good example, although he has not got it removed yet.

Mr. Howe: That is a bad example.

Mr. Fournier (Hull): That is the worst example.

Mr. Green: When a question affecting Newfoundland arises, I suggest to hon. members from there that they will get much better results if they all stick together, regardless of party. I think I can promise them that all the members from British Columbia will be glad to support them.

Mr. St. Laurent: If they are ganging up on the government.

Mr. Green: In this house, Mr. Speaker, I have the honour to represent one of the new ridings, namely the riding of Vancouver-Quadra, which has been carved out of the old ridings of Vancouver East and Vancouver South. The riding is composed of a strip across the centre of the residential portion of Vancouver, extending almost from the eastern boundary of the city right out to the university of British Columbia at the tip of Point Grey.

There is something extremely significant in that name of Quadra. I am going to take a few minutes to explain to the house just why it means a great deal to us on the Pacific slope. Quadra was a famous Spaniard on our coast. In 1775, when a young naval lieutenant serving at the Spanish base down in California, he went on a voyage of exploration up the west coast, finally reaching a point as far distant as Alaska. His ship was a small schooner called the *Sonora*, a vessel thirty-six feet in length, with a twelve-foot beam and a draft of eight feet. There were

twenty in the crew. By the time they arrived off what is now the coast of British Columbia, many of the crew had scurvy. At one time there were only two of them able to carry on, Quadra and one of his men. Two ships started on this voyage, but the other one turned back. Quadra went on. He got up to what is now Alaska and finally arrived back in California, having made a great name for himself as an explorer. Then in 1792 we find him back again on the coast of British Columbia, this time as the governor of Nootka, in command of a Spanish post at Nootka on the west coast of Vancouver island.

Between the times of these two expeditions the British had established a post at Nootka and then the Spaniards had seized it. There had been a threat of war, but finally a treaty of peace was signed under the terms of which envoys from Great Britain and Spain were to meet at Nootka to try to decide upon who should hold what territory. Captain Vancouver was sent out as the British envoy.

On his way to Nootka he explored our present harbour of Vancouver, which he named Burrard inlet. In the course of his explorations in the vicinity of the present city of Vancouver he met two ships from Quadra's squadron just off the tip of Point Grey, which of course is just off the present riding of Quadra. They did some exploring together for Vancouver refused to interrupt his explorations in order to sail over to Nootka to meet Quadra. He explored the waters between the present Vancouver island and the mainland, right up around the tip of Vancouver island and finally reached Nootka on the west coast, which is in the present riding of Comox-Alberni. There he and Quadra tried to settle this territorial dispute but were unable to agree; however, they became fast friends. Captain Vancouver named the island which is now Vancouver island, calling it "Vancouver's and Quadra's Island"; later he visited Quadra in California and was warmly welcomed by this friendly Spaniard.

So you see the name of Quadra has great significance for us on the Pacific coast, and I hope that fact will always be remembered by the person who represents the riding of Vancouver-Quadra in this house. We face the Pacific. While the people of British Columbia are practically all from the east, either from eastern Canada, from Europe or from the United States, we face the Pacific. Our problems are primarily the problems of the Pacific. We are Canada on the Pacific; and I think it is the responsibility of members from that province to see that the other members of this house are kept informed on Pacific problems which are of interest to Canadians.

At this time there are problems which are of deep concern to us. First of all, there is the problem of trade. Our greatest industry is the lumber industry. About 25 per cent of our timber production must be sold abroad if that industry is to be prosperous. In fact, if the province is to carry on without having a great deal of unemployment we must sell at least 25 per cent of our lumber abroad. We must also sell a large proportion of our canned salmon abroad, of our apples and of our metals. Therefore we are greatly concerned over the loss of the markets in Great Britain and Europe, in Australia, in New Zealand and in the Orient. The devaluation of the pound and the Canadian dollar will make it more difficult for us to sell these commodities to Great Britain and to the other parts of the commonwealth, in fact in practically all countries overseas, although I think it is bound to give us some advantage over the United States in those markets because of the 10 per cent reduction. But no one as yet knows on balance what the result will be. I am afraid that our position will not be greatly improved by the devaluation.

I do suggest to the Minister of Trade and Commerce (Mr. Howe) that there are some steps that can be taken. He mentioned this afternoon that there is a committee or a council meeting now in Ottawa to discuss the promotion of trade between Great Britain and Canada. That is all to the good. I suggest that some such arrangement be made with regard to trade between Canada, Australia and New Zealand. At one time Australia was Canada's third best customer and New Zealand was a good customer also. Now they are both a long way down the list. It might even be worth while for the minister himself, or his deputy, to go to the Antipodes after the end of the session just to see whether some way cannot be found by which the trade between Canada and those two sister nations could be increased. It will be easier now for them to buy goods here than in the United States. There may be an opportunity to switch some of the trade which has been going to the United States.

With regard to China, there is a real danger that that country will be cut off for many years. Always one of our great hopes on the Pacific coast has been that there would some day be a huge trade between Canada and China. Today of course the communists have swept over a large part of that country, and they may even attack Hong Kong. The city of Hong Kong is the port through which a good deal of the trade from other parts of

the world enters China, and it is of the utmost importance to Canada that Hong Kong remain intact in British hands. Should Hong Kong be taken over by the communists the results for Canada would be very serious. We certainly have a stake in the protection of Hong Kong. That was put clearly by the *Vancouver Sun* in an editorial on August 17, just a little over a month ago. It is headed, "Hong Kong Emergency." The final paragraph of the editorial reads:

> As for Canada, the loss of Hong Kong by the British might not be of immediate moment so far as defence is concerned but Canada is a Pacific country, as we on the west coast are well aware—and as we were painfully aware after Pearl Harbor. Ultimately we, too, are concerned with the unchecked expansion of soviet power in the regions across the Pacific bowl.

That brings me to the next question which is of concern to us on the Pacific coast. We believe that there should be a Pacific pact similar to the North Atlantic treaty, a pact designed to hold communism in the Pacific. The president of the Philippine republic spoke to the United States senate about six weeks ago. In the course of advocating some such pact he used these words:

> Asia, with more than half the population of the world, and with "incalculable resources," must not be lost to communism by default.

Not only are the Philippines anxious for the pact but also Korea, Australia and New Zealand. I believe that the Canadian government should take a stand in favour of a Pacific pact before it is too late. I hope that some such step will be taken by the government.

A third subject about which we are concerned is that of shipbuilding and shipping. During the war we built a great many merchant ships, more than any other part of Canada. We also built many naval vessels, but since the war the Canadian shipbuilding industry has been gradually fading away. On our coast the work now is largely repair work. There is some naval construction promised and for that we are grateful. No attempt has yet been made to build fast cargo vessels. Canada still has many of the old slow vessels which were built during the war, but they are quite unable to compete with the fast modern vessels being built by other countries. Unless some building program is started, and started very quickly, I am afraid that the Canadian merchant marine will be a thing of the past, and that would be a tragedy for a country which has such a long maritime history as Canada, and a country to which the exporting of goods is so important.

The devaluations which have taken place during the last few days are going to make it much more difficult for the Canadian merchant marine to carry on, just that much harder for them to compete with the ships of Britain, Norway, Sweden and all other countries who have devalued to a greater degree than we have. There is an announcement in the speech from the throne that some measure is to be brought in to aid shipbuilding and shipping. It should have been taken this spring when a similar promise was made in the speech from the throne. The Canadian maritime commission, set up two years ago, was supposed to give a lead in working out these policies, although personally I think the obligation has always rested and still rests with the government rather than with the commission. I do hope that at this session the government will announce a definite and broad policy for promoting shipbuilding and shipping in Canada.

Another word about shipping; I have been appalled by the disaster in Toronto. It is almost unbelievable that in 1949 a great passenger vessel lying in a berth in a port, the second largest city in Canada, could be destroyed with a loss of over a hundred lives. I think it calls for drastic action. If the regulations under the Canada Shipping Act are proper regulations then somebody has been criminally negligent and should be prosecuted. On the other hand, if the regulations are not sufficient, and I suspect that that is the position, then it is the responsibility of parliament to see that proper regulations are enacted at this very session, because Canada cannot afford to have another disaster such as the burning of the *Noronic*.

The responsibility for safety at sea rests with the Canadian parliament, certainly with the Canadian government. We have had the same problem in a smaller degree on the west coast. There an attempt has been made to whittle down expenditures a bit, and to save a little money, by taking radio operators off full-time and letting them act as freight clerks, or do some other odd jobs. They are taken away from their apparatus, just on the chance that nothing is going to happen. That has been protested against in the house by other members from British Columbia. It serves to illustrate just how careful we must be all the time to see that we have proper safety regulations, and then that those regulations are enforced.

We believe that on each coast there should be a Canadian coastguard. May I suggest to the Prime Minister (Mr. St. Laurent) that it is humiliating when, time after time, with vessels in distress along our coasts, the United States coastguard service has to come to their rescue. Just on August 17 last a Vancouver press dispatch stated:

> Fishermen protest rescue by U.S. Declare navy vessel, not U.S. coastguard, should have saved the B.C. ship.

This was an instance when a Canadian naval vessel started out and was then recalled. The United States coastguard vessel came all the way from Astoria, Oregon, and without hesitation. It came up to help this Canadian ship and that United States coastguard vessel was fourteen hours further away from the scene of the accident than the Canadian vessel.

There is no reason at all for that sort of thing. The other afternoon the Minister of Justice (Mr. Garson) was saying that Canada is a nation—and I agree that she is. I do not agree with everything else he said—because certainly he spoke a good deal of "eyewash," if he will pardon my saying so. Certainly there is no reason why this nation of Canada should not have a coastguard service on the west and east coasts, and I hope there will be no further delay in getting it.

In British Columbia we are also particularly interested in two broad groups of subjects, the first being that of veterans affairs and the second general welfare measures. We have a larger percentage of veterans than any other province in Canada. They have come there in large numbers since the war and, as hon. members are aware, we had very heavy enlistments. Furthermore the people of our province have always been social-security minded, taking great interest in welfare measures.

With regard to veterans affairs, may I suggest once more to the Minister of Veterans Affairs (Mr. Gregg) that there should be a standing committee of the house on veterans' problems. We have pressed for that time and again, but without result. Problems of the veterans, in my experience, have been adequately dealt with only when a special committee on veterans affairs has been set up. I say there should be a standing committee.

Last spring an increase in the war veterans allowance was provided, not by way of an amendment to the act but by a vote. That means that such votes will have to be passed each year. It does not provide for a definite increase. The way it is working out is that if a veteran can pass a second means test he can perhaps get help by way of getting money for a new suit of clothes, or something of that kind. I believe the war veterans allowance should be increased as a matter of right to $50 for the single man, without a second means test at all, and that there should be a corresponding increase for the married man. I suggest also that imperial veterans, some of whom have been in Canada now for nearly thirty years, should be made eligible for the war veterans allowance. I say the men of the merchant navy should be treated as though they had served in the fighting forces. They are not now treated in that way. For example, while they have been given certain vocational training benefits and given those only after the utmost pressure had been exerted in the House of Commons they have been refused vocational training as from the end of June this year. They could not qualify unless they were under thirty years of age at the time of application. Those restrictions should be removed. They should be made eligible for university benefits, and should have a broader eligibility for pensions. I have known many sad cases where men of the merchant navy have incurred different disabilities, particularly by way of disease, and yet it has been impossible for them to get pension. They receive no consideration in connection with veterans housing projects, and they are not eligible for the civil service preference. All these defects should be remedied, and remedied quickly; and I am afraid it can be done only if a committee on veterans affairs is set up.

Then, with respect to general welfare measures, we in British Columbia believe—at least during the election campaign every candidate believed it, no matter to which party he or she belonged; and I must assume they meant what they said and published—that there should be a general plan of social security on a contributory basis. I do not believe our welfare troubles in Canada will ever be solved until we have a general contributory pension plan under which people will contribute as they work, and then will receive adequate benefits as of right without having to go through any means tests. That is the Canadian way of settling this problem of social security. I am disappointed to see nothing on that subject in the speech from the throne. It is perhaps the most important question which could be dealt with by parliament at this time—and yet we see no word of it in the speech from the throne.

Then, a very serious defect requires remedy in connection with old age pensions. At the spring session of the House of Commons an increase of $10 a month was granted. The rate was raised by $10. That, too, was done only after great pressure. However, while the rate was raised by $10 the ceiling was not lifted, so that if a person is earning a small income over and above the amount of pension, he receives no benefit whatever through the increase of $10 because the ceiling on general income was not raised. I am amazed that that is not being remedied at this session. I have here articles from two of the Vancouver papers, including the Vancouver *Sun*, which is a strong supporter of the government, pointing out this injustice and appealing to parliament to raise the ceiling at this session. I hope the government will change

its plan and bring in a measure amending the Old Age Pensions Act by raising the ceiling to correspond with the increase in the pension itself.

Finally, I hope consideration will be given at this session to means of furthering certain promising developments in this nation. I have in mind, first of all, atomic energy. Canada is fortunate in being a producer of uranium, and being one of the big three in the development of atomic energy. I believe that atomic energy is just as important today as was the development of the steam engine over one hundred years ago; I think it can mean just as much to the world. It may be the one thing that will put Canada in the forefront of the nations.

The Minister of Trade and Commerce (Mr. Howe) has just returned today from a meeting in Washington at which there were discussions concerning a new agreement between Canada, Great Britain and the United States on atomic energy. A few weeks ago reference was made in the press to the giving out of information concerning atomic energy, the question raised being how far the United States should go in disclosing information to Great Britain and Canada.

I submit that the Minister of Trade and Commerce should make a full report to this house concerning the situation on atomic energy. I have here a press dispatch of July 28, 1949, headed, "Congress authority on A-bomb granted. Release of secrets outside President's right." The first paragraph reads:

> Washington—President Truman has conceded the right of congress to pass upon the release of atomic bomb secrets to Great Britain and Canada, according to word sent to Capitol Hill through State secretary Acheson.

In the press reports of yesterday we find that during the negotiations which took place this week the President made it clear that he is committed not to enter into any atomic agreement without consultation with congress. Right from the start, back in 1946, the United States set up a committee composed of members of the senate and house of representatives to advise on atomic questions, a watchdog committee. I urged on behalf of the official opposition that Canada should have a similar committee. The Minister of Trade and Commerce—I forget what minister he was then because he has been so many in the meantime—refused to have a committee set up. In subsequent years he has softened a bit. Last year when I suggested that there should be a similar committee in Canada he said it was a good idea and we could have it. But week after week went by and no committee was set up. Then there was an election, which perhaps some of you have heard about. In any event no committee was set up, but what do we find? I quote from a dispatch dated August 22 as follows:

> U.S. atomic energy officers study Chalk River layout.
>
> The external affairs department today disclosed that five U.S. atomic officials spent the last two days at nearby Chalk River talking over the administration of the atomic pile there with Canadian officers.

Two of those five officials were members of the congressional committee, Senator W. F. Knowland of California and Representative H. M. Jackson of Washington. They came up here and were told what Canada is doing, yet the Canadian House of Commons knows nothing about it. President Truman goes to congress to consult them after this conference and the Minister of Trade and Commerce comes back to Canada and consults himself as the member for Port Arthur. That is the ridiculous situation existing in Canada today. I repeat that there should be a committee of this house to go into the whole question of atomic energy.

Another promising development is that in connection with oil. There have been great oil discoveries in Alberta. Last year we passed a pipe lines bill providing for the establishment of pipe lines to carry this oil. When the bill was sent to the committee on railways, canals and telegraph lines I was surprised to learn from the representatives of Imperial Oil Limited that perhaps that pipe line would go through the United States. We now find that such is to be the case. This pipe line is to go from Alberta to Regina and then, instead of going to Winnipeg and the head of the lakes through Canada, it is to by-pass Winnipeg, go down into the United States and end up at Superior, Wisconsin, from which place the oil will be carried by ships to Sarnia.

Surely it is in the national interest, regardless of cost, that the main pipe line carrying Canadian oil should be laid in Canadian soil. Think of the difference in employment in Winnipeg, Fort William and Port Arthur. Think of the potentialities for development. I see by the press that it would cost more to run the pipe line that way. I have no objection to a branch line going to the United States or to our selling to that country oil we do not need, but I do suggest that the main pipe line carrying Canadian oil should be laid in Canadian soil. I regret that that is not to happen in this case. I think this is a great mistake in national policy. I suspect one reason it is being done is that Imperial Oil want to sell oil in the United States.

Mr. Smith (Calgary West): I am sorry to disagree with a member of my own party, but I do.

Mr. Green: I think the plan is to sell a great deal of oil in the United States.

Mr. Howe: Is there anything wrong with that?

Mr. Green: If we have surplus oil that is quite all right, but as a matter of national policy the main pipe line carrying Canadian oil should be laid in Canadian soil.

Mr. Howe: It is a good thing the United States does not take that view.

Mr. Green: The right hon. minister can make his speech in due time, and I hope he will explain the whole subject.

Mr. Howe: It will not be as foolish as this one.

Mr. Green: That is the usual reply by the minister, to accuse the other person of being a fool. But in a great many instances it has been proved in due course that the fool was on the government side of the house.

This brings up the question of coal. I shall not go into this matter except to say that because of devaluation coal is going to cost more in central Canada. This is the time to develop a national coal policy so that Alberta and Nova Scotia coal may be brought into the markets of Quebec and Ontario to a much greater extent.

The next promising development I should like to refer to is iron. There have been tremendous discoveries of iron in northern Quebec and Labrador. I ask hon. members of this house to make sure that that iron ore is used in Canada to the largest possible degree and not simply shipped to the United States for smelting and then brought back here in the form of finished products. If that ore were made into steel in Cape Breton it might alter the whole picture in the maritimes; certainly that would be a wonderful thing for that part of Canada. If it were smelted in Quebec, where they have vast water power, that would mean a great deal to that province. I repeat: Let us in this house see to it that that iron ore is used to the greatest degree in our own country. It should be our policy to develop all these resources and use them in Canada to the greatest possible extent.

In conclusion let me say that my vision of Canada is that she should be a great nation with a population of fifty or seventy-five million; one of the great nations of the world. I think that is possible. Because of the various changes that are taking place in the world today, and the developments within Canada, this twenty-first parliament will have a great deal to do with the future of the nation. We have a great responsibility, perhaps greater than any other parliament of Canada for many years. If we do our work well, then I believe we can help Canada to attain the destiny I have pictured. I must say, Mr. Speaker, that looking around the house I believe the members are here with great earnestness of purpose. I think this parliament is going to do a fine job for Canada. I hope that, when the four or five years have expired, during which this parliament will last, the people of Canada will be able to say of us that we have done our work well.

Mr. G. F. Higgins (St. John's East): Mr. Speaker, following the eloquence of the hon. members who have spoken today, and the broad scope of their addresses, I feel somewhat diffident in speaking to you tonight on matters chiefly concerning my own province. Nevertheless, as our problems in Newfoundland are now the problems of all of Canada, I feel it only fitting that you should acquire all the knowledge you can of our particular worries and fears.

In speaking on the address I should like to join my colleague, the hon. member for St. John's West (Mr. Browne), in expressing thanks to all those members on both sides of the house with whom I have come in contact for their many courtesies to me and I am sure to all other Newfoundlanders in this house. I wish to offer my congratulations to you, Mr. Speaker, on your elevation to the high position which is now yours.

I should also like to compliment the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply to the speech from the throne on the real excellence of their addresses. I should like to offer my congratulations to the Prime Minister (Mr. St. Laurent) on the results of the election. Whilst the ridings of St. John's West and St. John's East did not follow the other ridings of Newfoundland in supporting the party which he has the honour to lead, nevertheless I can assure him of a very warm welcome when, as I hope he will, he returns to visit us again in Newfoundland. I may add that we are eagerly looking forward to a return visit from the leader of the opposition (Mr. Drew). As you might well expect, he created a most favourable impression on his visit to our province.

I am afraid I must apologize to the leader of the C.C.F. party (Mr. Coldwell) for the somewhat unusual lack of warmth displayed to him on his visit to St. John's; but speaking for my own riding, which was the only riding contested by his party, I should like him to know that there was nothing personal in the lack of warmth, but merely that he had no opportunity to explain properly the doctrines of his party to our people. I can assure him that he will receive a warm welcome when and if, as I hope he will, he decides to come and see us again.

The leader of the Social Credit party (Mr. Low) did not visit us, but if he decides to do so I can assure him also that he will be very welcome. I suggest to him, however—and I hope he will not take it amiss—that before doing so he should learn to pronounce the word "Newfoundland", because some of us regard its pronunciation as being quite important. I suggest not only to the leader of that party but also to many hon. members of the house that the simplest way to remember how to pronounce it is if you use it in the context, "you must understand new found land". I think you will find it somewhat easier that way. I do not object, I may say, to "newfundland" provided there is a possibility of our acquiring some new fund that we have not any knowledge of as yet. I can assure you it will be very welcome. I particularly stress that because of the financial gale we are going to have to weather very shortly. A new fund will have to be provided from some kindly people somewhere. Possibly the members of the government may feel inclined that way.

It was stated in the speech from the throne that, with the admission of Newfoundland, the Canadian nation attained the geographical limits planned for it by the fathers of confederation. I am very happy to know that Newfoundland made this contribution, that as a result Canada is now a complete and full nation, and I presume has no further territorial ambitions. As to the new province I have a few pertinent remarks to make, which I hope will not be misconstrued. First and foremost, let me say that the confederation of our country with the other provinces of the great dominion has now been accepted generally even by those of us who were not in favour of it. I say that quite frankly. I was one of those who fought confederation as hard as I could and right to the bitter end. My presence here is ample proof of what I say, that it has now been accepted generally by the people all over Newfoundland.

A number of my fellow Newfoundlanders were not in favour of confederation, and I may add that the number was not inconsiderable. The voting at the referendum showed that 71,334 people voted for the restoration of responsible government, and 78,323 for confederation. The chief reason among the great number of the people of Newfoundland who were opposed was that the financial terms of the confederation agreement were not adequate. As the Prime Minister will recall, during the meetings of the delegation from the national convention with the special committee of the cabinet in 1947 I raised this particular point. Subsequently on the visit of the second delegation, following the acceptance by vote of confederation, the financial terms were somewhat increased, but they are still inadequate, and are not sufficient to enable us as a province to pay our own way in respect to government services.

Now, this fact has been borne out by the record of revenues for the months of April to August of the present year. I speak of the official record issued by the Department of Finance. The total revenue, including federal grants and income tax payments for the year 1948—of course the income tax payments are non-recurring—amounts to $15,556,997. Of this sum $8,450,270 was for income tax payments for that year. As I said before, they are non-recurring. The proposed tax rental agreement to be signed by our province and the government will give us approximately $6,800,000 per year, possibly a little more, but that is as close as I can come to it at the present time.

The total expenditure for the same period under review, namely, April to August, amounted to $10,735,780. Deducting the amount received from income taxes from the total receipts, it leaves an amount of $7,106,727. This leaves a debit balance of $3,629,053 for a period of five months, or a debit of some $725,000 per month. If the debit continues for twelve months at the same rate it will amount to approximately $9 million. As I said before, we shall receive from the tax rental agreement approximately $6,800,000. This will leave us with a debit, based on present expenditures for the first year of confederation, of something over $2 million. Remember this is only with present expenditures. The additional cost of our health services and the maintenance of our new sanatorium at Corner Brook will have to be added. This sanatorium is as modern as any on this side of the water. Apart from that maintenance and the original capital cost of the other planned extensions in our health services, there is also to be considered the cost of highroads.

In this connection, I trust that the recent statement made by the premier of Newfoundland, the Hon. Mr. Smallwood, will not be carried into effect. Mr. Smallwood stated that he proposed using the pick and shovel for the building of the highroads. That may be a perfectly good way to distribute relief, but to me it appears to be going back to the old days in road making.

The cost of providing relief in Newfoundland during the winter will also be high. It has been estimated for me that for the full year we shall very likely have an over-all deficit of approximately $5,000,000, so it will be necessary for new taxes to be imposed by the provincial government. As you can well realize, this is going to be an extremely difficult matter during the coming year, since we

are already beginning to feel what our United States friends call a recession. I should like to point out to you also that this debit balance has been incurred at a time of the year when we have comparatively little in the way of relief payments to make. In today's press I noticed an item to the effect that the price of liquor in Newfoundland has been increased by 50 cents a bottle. It is terrible. I trust some of my friends who buy a liquor known as "screech", who formerly paid $2.50 for their bottle of "screech", when they come to pay $3 for it—

An hon. Member: They will screech.

Mr. Higgins: Screech is quite right.

Now, Mr. Speaker, deficits of this size may seem very small to you who are accustomed to dealing in large sums. I would imagine that a deficit of $5 million is merely chicken feed to many of the provinces up here. I can assure you, however, that a $5 million deficit for the province of Newfoundland—if that is what it amounts to and I sincerely hope it does not—is something frightening.

During the negotiations with the second delegation from Newfoundland in 1948 a memorandum was issued by the government in which it was stated that an effort would be made to make the amount of surplus sterling held by Newfoundland available to Newfoundland in dollars within one year after the date of union. This was money that had been on deposit in England and, so far as we were concerned, was blocked sterling. We were rather doubtful of obtaining it. Quite recently I was informed that the government of Canada has made this blocked sterling available to the province. I sincerely hope that is true, because we shall certainly need all the money we can get this year to enable us to carry on and handle our unemployment problem. Only today I was informed that the United States bases in Newfoundland have paid off 600 people. Those 600 people are now on the list of unemployed. Again, the number may seem small to hon. members but it is by no means small to us.

I should like you to understand that, as a result of confederation, our secondary industries have been hit very hard. It is problematical whether our clothing factories, our breweries, foundries, tobacco factory, paint factory and the rope manufacturing plant will be able to withstand the competition from the mainland. If that happens, Mr. Speaker, it will have serious repercussions not only in the districts represented by the hon. member for St. John's West (Mr. Browne) and myself, but in the entire country. I hope that, in accordance with the terms of the agreement, some form of assistance will be rendered to the secondary industries by some government intervention. I do not know how it can be done, but if it can be done it will be a wonderful thing for industry. Now, Mr. Speaker and hon. members, do not for a minute think that we Newfoundlanders are coming to you with our hat in our hand begging you for assistance. That is not so. I merely wish to point out to you that at some future date the federal government will be faced with the problem of making additional grants available to Newfoundland, so that she will be able to maintain her place as a member in equal standing with the other provinces of this great dominion. By the terms of confederation we have given to Canada full value, and in the future still greater value will be obtained from the assets we have turned over. I may add that I am not at all unmindful of the splendid services that have come to Newfoundland and of the cost of those services to Canada. But bearing all that in mind, I still say that we have given good value and will continue to do so.

For the benefit of some hon. members who may not be fully aware of what Newfoundland turned over to Canada in real property, I am just going to go through the list quickly for you so that you will have a slight idea of what you obtained for your money and what you will continue to get. First, there is the Newfoundland railway, including rights of way, wharves, dry docks and other real property, rolling stock, equipment, ships, and other property. That means that the whole railway system together with all our ships have been turned over to the federal government. A great many jokes have been made about our railway, many funny stories have been told about it and many funny verses have been sung; but I can assure hon. members that, as far as we in Newfoundland are concerned, our railway system is still first-class. At the time of our pre-confederation talks that item alone was valued by the officials of the railway at $70 million. You have also obtained—and I may say that this is not an auction sale; I am merely repeating the things we have sold—the Newfoundland airport at Gander, including buildings and equipment, together with any other property used for the operation of the airport; the Newfoundland hotel; public harbours, wharves, breakwaters and aids to navigation; bait depots and the motor vessel *Malakoff*; military and naval property, stores and equipment; public dredges; the public telecommunication system, including rights of way, land lines, cables, telephones, radio stations; real and personal property of the Broadcasting Corporation of Newfoundland; and customs houses and post offices. In actual property value, all that represents an extremely large sum of money. It has been

suggested that you are taking over dead property, but that is far from the case. I will not give you any real value because I cannot do so, but you can be quite sure that it is in the hundreds of millions of dollars. I put it to you that if Newfoundland went into confederation as a province and these services were not there, they would have to be provided by Canada. You are now taking over or have taken over a going concern. All we ask is that it be kept going.

In the speech from the throne, reference was made to the new air agreements between Canada, the United Kingdom and the United States. I believe those agreements have been concluded. That is my understanding from the contents of the speech from the throne. I hope it is so. I understand that additional traffic stops in the United States and in the United Kingdom have been provided for Trans-Canada Air Lines. I speak without full knowledge of the facts, but from the information I have gathered the chief factor in the making of those agreements was the fact that Canada now controls Gander airport and Goose airport—Gander especially—which enabled Canada to bargain with the United Kingdom and with the United States and get the wonderful advantages she has obtained for our Trans-Canada Air Lines. When I speak of the value of Gander in this way I am speaking simply of the commercial value. But do not ever forget the strategic value in time of war of that great airport at Gander, of that great airport at Goose, of that other airport at Harmon field and of that other airport at Torbay; and do not ever forget that the beginning of the winning of the battle of the Atlantic took place right from our little island of Newfoundland.

There are seven major international air lines operating from Gander at the present time, namely Pan American Airways, Trans-World Airways, American Overseas Air Lines, British Overseas Airways, KOM of Holland and Sabena of Belgium, the Scandinavian Air Line System and of course Trans-Canada Air Lines. I believe there are also some five or six non-scheduled carriers operating out of Gander as well. This has meant regular employment for a considerable number of my fellow countrymen, and I sincerely hope that nothing will be allowed to interfere with the operations at Gander, as was stated recently by the chairman of the air transport board prior to the conclusion of these air agreements. If these United States air lines are refused permission to land at Gander or if their operations are in any way interfered with, it will be an extremely serious matter for a great number of Newfoundlanders employed there.

[Mr. Higgins.]

In addition, to further increase the earning power of this dominion we bring you our great fisheries, which, added to your own, will probably increase their value by one-third. The Minister of Fisheries (Mr. Mayhew) will probably remember the figure. Incidentally, for the benefit of hon. members from Cape Breton, I should like to quote to you an extract I read in a book issued by the food and agricultural organization of the United Nations entitled "Salted Cod and Related Species". The quotation is as follows:

> The east coast fisheries of Canada, which are the only Canadian fisheries of importance to the salted fish trade, began in the early days, when Cabot voyaged to Newfoundland in 1497 and Jacques Cartier to Canada in 1534.

I presume the hon. members from Cape Breton are still interested in the landfall of Cabot. If so, that should settle the issue for all time. But, Mr. Speaker, the chief value of our fisheries in the present money crisis is in the fish that we ship to the United States. The great bulk of our fresh-frozen fish goes to the United States and of course payment is made in United States currency.

In connection with the fisheries, by the terms of union our fishery laws and our Newfoundland fisheries board are to continue for a period of five years. That is five years certain, and thereafter until changed by the parliament of Canada. I would like you to understand that the fisheries board is doing excellent work, and has since its inception, and I sincerely hope that no change will be made in its constitution in the future. I know that the chairman of the board, Mr. Raymond Gushue, has the full confidence of all the people of our country, and I understand that he is just as highly regarded by the chief officials of the fisheries department at Ottawa.

Included also in the assets which we bring to you are our pulp and paper industries, our two great mills situated at Corner Brook and Grand Falls. In Corner Brook some 7,500 permanent and seasonal workmen are employed and the annual pay roll approximates $14 million. The annual productive capacity of the mills at Corner Brook is 300,000 tons of newsprint and 54 thousand tons of sulphite pulp. I have not the figures for the mills at Grand Falls but I understand they are somewhat lower. However, the annual turnout for both mills in 1948 was 382,000 tons, Newfoundland being the third in the list of countries producing newsprint, being exceeded only by the United States and by Canada herself. The largest percentage of our newsprint is being sold to the United States and of course being paid for in United States currency. This is another fine asset that we bring to you.

I should also like to draw to your attention the great possibilities of our territory of Labrador. We have down there iron ore, forests and one of the greatest waterfalls in the world. No accurate estimate of the timber resources of Labrador has been prepared as yet to my knowledge, but from what knowledge I have been able to gather it would appear that there is a considerable quantity of first-class standing timber in Labrador at the present time, and quite ample in amount to operate another pulp and paper mill. Labrador is also the location of Grand falls, which has been estimated to make possible a hydroelectric development of better than a million horsepower. Our iron ore in Labrador is of extremely high quality, and all reports to date indicate a very large body. As hon. members know, plans are being made now to put a railway in from the Quebec side to connect with the Quebec body of ore and to operate that body and the body in Labrador at the same time, I believe.

The issue of the *Financial Post* of September 17 makes reference to Labrador iron, and the paper states that Republic Steel, Armco, Inland and Wheeling Steel, U.S. Steel and Bethlehem Steel are classed as being interested. The paper states also that production is thought to be five years away, but it is said to be no longer a guess that United States steel companies will be taking a share of it. Those of you who follow iron ore must know that the Mesabi range is very closely approaching the exhaustion point, so you can see the value of these deposits of iron ore in northern Quebec and Labrador and the great value it should be to all of the dominion in the years to come. I shall make a further reference to a particular aspect of Labrador in connection with the supreme court bill which is to come up again shortly.

Apart from the Labrador possibilities we have three other mines in operation. We have an iron mine situated at Bell Island in my own constituency, which has been in operation since I believe the beginning of the century. It is owned by Dosco, and the great bulk of the iron ore is now being used at Sydney. Prior to the war a great deal of it used to be shipped to Germany. In fact, before both world wars Germany received a considerable quantity of that ore. There is also our very valuable lead, zinc, copper mine situated at Buchans. This mine is being operated by a subsidiary of American Smelters and possesses a very high grade ore. The only other mine in active operation at the present time is a fluorspar mine at St. Lawrence, which is also being operated by another United States company. We have also other great possibilities for various industries in the future because, Mr. Speaker, we have a country that is as yet unspoiled, a country that we say will be a mecca for tourists. All that we need is proper tourist facilities and of course adequate means by which tourists may get into the country in the cheapest possible manner and with the least inconvenience to themselves, and that of course is by road. But we have to cross that little narrow neck from Sydney to Port aux Basques. We hope and trust that as soon as a trans-insular road is completed a proper ship will be put on the gulf so that a tourist can drive in with his car in comfort and drive out in equal comfort when he gets to our little island. The provision of a suitable ship is part of the terms of confederation. I am merely reminding hon. members and the government so that they will not forget.

These are some of the assets that we bring to you. These are the visible assets. The asset of which we are most proud, the asset of which I am sure all Newfoundland members in this house are most proud, is that we bring to you provinces and to you representatives of the provinces of this great dominion 328,000 people who are the salt of the earth, people who are independent, people who are going to make first-class Canadians.

I went into this matter somewhat in detail to show you that we did not come to you with empty hands. We are still a poor country, and poorer in the thing known as money—but in everything else we are wealthy. In money we are poor, and we are not able to enjoy the standards of living which you in the rest of Canada can enjoy at the present time. I would therefore ask all hon. members from all parts of the house when the time arrives, as it must, when a request is made that the financial terms of confederation with Newfoundland be revised upward, that you will all give it your favourable consideration.

I should like to refer to the terms of union which deal with this subject. Section 29 states that:

> In view of the difficulty of predicting with sufficient accuracy the financial consequences to Newfoundland of becoming a province of Canada, the government of Canada will appoint a royal commission within eight years from the date of union to review the financial position of the province of Newfoundland and to recommend the form and scale of additional financial assistance, if any, that may be required by the government of the province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of union, without resorting to taxation more burdensome, having regard to capacity to pay, than that obtaining generally in the region comprising the maritime provinces of Nova Scotia, New Brunswick, and Prince Edward Island.

All I can say is that if we in Newfoundland have to wait for eight years before the terms of this agreement are going to be considered,

then the best illustration I can give you is to tell an old political story which has been told in Newfoundland for many years. A member of the government was addressing his constituents, and said to them, "When this government came into power you were groaning under taxation. How are you now?" A voice came from the back of the hall, "We are too 'wake' to groan." I hope this will not be let go so long that we in Newfoundland will be too weak to groan about having a revision of this union of our province with Canada.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but he has spoken forty minutes. He may continue only with the unanimous consent of the house.

Some hon. Members: Go on.

Mr. Higgins: Thank you; I appreciate that. Then, turning to that part of the speech from the throne which deals with the amendment to the Supreme Court Act, let me say I hope it is not the intention that in abolishing appeals to the privy council former decisions of that body will not be followed. I have reason to believe that a prominent member of the judiciary in Canada made a statement this year indicating that it might be so. I hope it is not so, because that very important and historic case, the Labrador boundary case, in which a decision was given respecting the boundary between Quebec and the present province of Newfoundland, is most important to us. The issue of that case was the ownership of Labrador. As hon. members recall, the decision of the privy council gave the great part of Labrador to Newfoundland.

In view of the statement made this year by the premier of Quebec that he intends to reopen the decision in that particular case, it is most important that some provision be secured in the bill whereby the rights of the province of Newfoundland to Labrador will be secured. I shall not say anything further on that matter at this time.

In the speech from the throne notice is given of a proposed bill respecting assistance to the shipbuilding industry and merchant shipping. In this connection I would draw the attention of hon. members to the unfortunate situation of Newfoundland seamen who served in Newfoundland ships during the war. As you may be aware, Canadian merchant seamen serving in the war years were paid a bonus of 10 per cent of their wages at the end of their period of service. Our merchant seamen who went through the same risk—and you will recall the torpedoing of the *Caribou* between North Sydney and Port aux Basques, and the consequent great loss of life—are refused that payment on the ground that they were not members of the manning pool. Well, that is perfectly in order; but—and I speak now as president of the Newfoundland seamen's association—if I have to go back to the members of the union of which I have the honour to be president and tell them that because they were not members of the manning pool the government will not pay them these moneys, it is going to be extremely difficult to explain it to them.

I notice, too, the proposed legislation with respect to the trans-Canada highway. I hope and trust that Newfoundland will be able to participate in that. I hope also that the contribution by the provinces will not be based upon a flat rate but rather on the work to be done and on the ability of a province to make a contribution. Otherwise, if we are all going to have to pay a flat rate, I am afraid the contribution from Newfoundland will be more than we can meet.

With these few remarks I shall close, thanking the house for its patience and courtesy in listening to me.

(Translation):

Mr. Raoul Poulin (Beauce): Mr. Speaker, since the debate on the address in reply to the speech from the throne gives members of the house the opportunity of making themselves heard for the first time, I wish to avail myself of this privilege while craving the indulgence of which I am in such great need.

(Text):

Mr. Speaker, I should like to say a few words in the language of the majority of the hon. members of this house. I do not expect that my congratulations will add greatly to the unanimous tribute which greeted you when you were elected the Speaker of this house, but I merely point out that this universal approval shows beyond doubt that you are the right man in the right place.

I suppose you have noticed that my first words in this house were spoken in the language which my mother taught me. I should like hon. members to understand that if I do not speak fluent English it is not because of any lack of consideration for one of our official languages. As a humble country doctor I have devoted my time to my profession and to the social problems of my community and I was not in position to retain all that I had learned in my youth.

However, to prove my good will in this connection I should like to relate something personal. I have seven children and as they grow up I send one of them to an English-speaking part of the country so that he or she can learn the English language and use it later with greater ease and advantage. Two

years ago I sent my oldest daughter to Moncton, New Brunswick. Last year I sent my oldest son to Ottawa. During the present year my second daughter is in Toronto.

We all wish for peace, harmony and bonne entente in this wonderful country of ours, but this can be obtained only through mutual understanding, which can be achieved only through a common language. I do not hesitate to say that not only is it the duty of French Canadians to endeavour to learn the language of the majority; English-speaking Canadians should endeavour also to learn something of the language of the minority. This afternoon I was glad to hear the hon. member for Eglinton (Mr. Fleming) deliver a speech in the finest French an English-speaking man could use.

(Translation):

Mr. Speaker, I wish to carry on for a few minutes in French. The throne speech contains some extremely interesting pronouncements of great import. Among these must be numbered the abolishment of appeals to the privy council, a step which should have been taken long since. We see no reason why Canadians should not have confidence in the fairness of their own supreme court, whatever the racial origin or the past political allegiance of the members of the judiciary. In fact, a decision of the privy council, epoch-making in the province of Quebec, sanctions this attitude, I believe, on the part of the people of Quebec. Would it have been better to consult the provinces? Bearing this proviso in mind, Mr. Speaker, I think I can say that this will be an excellent piece of legislation, even though it comes very late.

We are informed in the speech from the throne that the government will endeavour to obtain for our country the right to amend its own constitution "in relation to matters not coming within the jurisdiction of the legislatures of the provinces". I believe this to be acceptable, although I realize that perhaps the door will remain open to acrimonious differences of opinion between the federal and provincial governments, as to whether a particular matter does or does not come within the exclusive purview of the federal government.

I believe, and this is my humble opinion, that in all circumstances the provinces should first be consulted.

I shall now pass on to another subject and if I may, Mr. Speaker, I should like to make a suggestion to the government. I believe that special aid should be provided to the crippled, to those who suffer from chronic physical or mental ailments, to those who are handicapped by some infirmity for the rest of their lives. Others have made this same suggestion in the house since the beginning of the session. I am referring, of course, to those people who are bereft of the necessities of life.

The state of mental depression in which these people find themselves all too often may be ascribed not so much to their physical handicap as to the fact that others around them are so much better off. There is nothing socialistic about helping these people. On the contrary, that would only be a Christian and humanitarian attitude.

I would also like to suggest to the government that the family allowances be raised somewhat; shall we say up to ten dollars per child?

While practising out in the country I have had an opportunity to see at first hand, so to speak, the way in which this allowance money is spent. Time and time again mothers would bring their little ones of all ages to me to be examined, even though they did not consider them to be sick, but just to find out if anything could be done to improve their health. After their children have been examined and prescribed for, when necessary, these mothers are very proud to bring their allowance cheque out of their handbags, saying: "This is how we can take good care of our children."

I know for a certainty that the same thing happens when these little children must be clothed, fed and, in short, supplied with all they need for their normal development in order that they may become sturdy Canadian citizens.

I believe that increased family allowances would help to raise the standard of living of the small children in our large families.

There is more and more talk in this country about social welfare; there is even talk about state medicine. I realize that it is a ticklish subject. I am perfectly aware that a large number, I might say the majority, of the political groups in this house are in favour of state medicine. I do not say all the groups because I have just seen one of our colleagues—a doctor—make a sign in protest. Naturally this does not include every one but I may say that there is a heavy demand for state medicine. I believe that increased family allowances would greatly help the welfare of our people and would undoubtedly postpone the advent of state medicine to some extent. In fact this delay might give the Canadian government and the people a chance to see what happens in other countries. We could thus profit by the experience of other countries and avoid the many mistakes made by these countries.

Mr. Speaker, I do not know whether I would be breaking the rules of the house if I

referred to what is done in another country, but I understand that the United States, our neighbour, is marching rapidly toward state medicine. We might be well advised to wait until we have seen what happens there. The neighbouring country, immensely rich, perhaps feels the need of going into costly experiences, but as regards Canada, which is far from being as wealthy, would it not be preferable to wait and let others indulge in that luxury, in order to profit by their experience.

I feel that the increase of family allowances would be far more advantageous; it would enable us to avoid the errors which may be made in organizing state medicine.

However it may be, I make bold to say this: we shall have to be most prudent if some day strong pressure develops and that system of state medicine is organized in this country. We shall have to proceed with the utmost prudence, as I said, so that state medicine may not destroy plain medicine in this country.

Mr. Speaker, there is in the province of Quebec a great and broad riding called Beauce. I have no illusions! I know that all the ridings in this country are great and of wide extent. I know that each and every member of this house thinks—which is quite all right—that his riding is the greatest and the largest. And it is because we all consider our electoral districts so great and wide and interesting that each one of us can earnestly devote his activities to the welfare of his riding and its population. Nevertheless, Beauce is a great and broad county. Its people, who are intelligent, industrious, thrifty and proud and who have large families, have asked me to represent them here and it is among these people and nowhere else, believe me, that I got the ideas I have endeavoured to convey to this house tonight.

This same population, in the near future, will be asking the government, through my humble self, for no special privileges but for benefits it normally considers itself entitled to.

I trust the government will not be cool towards our good population for not having elected a member of the Liberal party.

Incidentally, may I congratulate the hon. leader of the opposition (Mr. Drew) and the leaders of the other parties who have been re-elected. The fact that these hon. members have been re-elected, in spite of the great Liberal sweep, is sufficient proof to me that they are men of great worth, men who are ready to serve not only their constituents but the country at large.

As for the sweep, I do not hesitate to say it was launched and sustained mostly by the personality of the Prime Minister (Mr. St. Laurent).

During the recent electoral campaign, the Prime Minister honoured Beauce by paying us a visit. He was even so kind as to spend with us the last twenty-four hours of the campaign. He was extremely courteous and gracious. In return, the people of Beauce gave him a royal welcome. They received him like a prince. That was only normal and to be expected. I am indeed pleased to add that I represent that fine constituency where the distinguished wife of our Prime Minister was born.

Those are some of the reasons, Mr. Speaker, why the people of Beauce were so happy to welcome that great Canadian and his gracious lady, who has proven to be such a worthy wife and mother. That is why we outdid ourselves.

The Prime Minister did not go so far as to ask the electors to vote for me; on the contrary, however, I can now assure him that if the majority of the people of Beauce did not support his official candidate, it was not because they were opposed to the Prime Minister, of whom they are very fond, but rather because they preferred your humble servant.

I can assure you that among those who supported me in the recent election a few thousand must have done violence to their feelings when they voted for a candidate who was *persona non grata.*

I do hope, Mr. Speaker, that for having been so outspoken, so loyal and so plucky, the good people of Beauce can count on generous treatment from the government.

Mr. Henri Courtemanche (Labelle): May I be permitted, Mr. Speaker, to follow the example of the hon. Leader of the Opposition in congratulating the hon. Prime Minister on his electoral victory. I wonder whether the result would have been the same had it not been for his personal prestige in the province of Quebec. As a group, the Liberal party had much to be forgiven, and its recent victory must not be considered as an incentive to carry on its erring policy but rather to correct its political inspirations.

Not being sentimental, my constituency was logical and fair in voting for Mr. Drew and the party which he leads with such distinction and sincerity.

I have the honour of representing a large constituency which is mainly agricultural. The constituency of Labelle, like so many others, did not secure from this government all it was entitled to expect. I am not blaming anyone but my presence in this house proves beyond the shadow of a doubt that the people in that section of Quebec wanted to protest most emphatically against

the repudiation of principles stated often but rejected on every occasion.

Representing as I do an historic constituency, I do not want to omit mentioning the man who has brought such renown to it, that is to say the eminent patriot and great statesman Henri Bourassa.

Many of those who sit here have known him well and they recall the battles he waged in defence of our rights, our language and our religion.

Unfortunately, he retired from active political life at a time when his eloquence and his experience would have been so helpful to us. However, if this outstanding orator can no longer be admired on the political scene, his ideas have gone forward and no one should be surprised today if the electors of Labelle have shown a reaction and proved that the people are still capable of thinking and passing judgment.

Above political parties must stand the Canadian motherland, which is still sacred to all well-born men and which must be the supreme guide of all honest citizens. There is nothing wrong in supporting one party or another, but we should not sacrifice everything to political parties. Before voting Liberal or Conservative the people should vote in accordance with the common weal and the general interest.

One of the measures of great interest to the members and the population of Quebec was the statement concerning Canada's constitutional future. We are told that the Liberal government intends to ask the house to approve "measures designed to facilitate the attainment of the constitutional limits of our nationhood". It was with a surge of pride and some astonishment that we heard about this welcome piece of news. Nations, no less than individuals, aspire to maturity, to majority. Canada came of age one hundred years ago. Therefore, that measure is not premature; on the contrary. We have only praise for the government concerning that inspired move. Common sense and judicial sense are not the prerogative of any one nation. Our jurists are just as competent as those of other nations, even those of Great Britain. It is very good and even beneficial to build up a legal structure.

In principle, any true Canadian will consider it antiquated that a so-called autonomous country should have to take its cases to a foreign court. By abolishing appeals to the privy council we would affirm our sovereignty. The principle of the law is excellent. However, when there is evidence of subtlety and tactics in disputes between federal and provincial governments, we may wonder whether the rights of minorities will eventually be well protected. Once the supreme court becomes the last court of appeal, will it be a complaint instrument in the hands of the government?

Another matter, Mr. Speaker, of great importance, is that of the amendment to the constitution of 1867. The matter has been brought up before.

Building our confederation took years of labour by jurists and patriots. Then again, in principle, the amendment is a good thing but in practice we must proceed with care, with vision, lest we infringe the letter and the spirit of the pact of 1867.

Present evils are blamed on the constitution, which is claimed to have become a strait-jacket, not only delaying but impeding Canada's development. That is only a smoke-screen.

The great principles set forth in 1867 must be respected, especially as far as the rights of minorities are concerned. The constitution can only be amended after careful and honest scrutiny of the people's sovereign rights. Was that not the intention of the fathers of confederation? One of them, Macdonald, who became prime minister of Canada, asserted that there were "neither victors nor vanquished".

The aim of the constitution was to enable the two main ethnical groups of Canada, the French and English-speaking elements, to co-operate in the achievement of Canada's destiny.

In Canada, peace and happiness on the one hand, or internal division, discontent and impediments on the other hand, will depend on the wisdom and the fairness with which these measures are implemented.

I sincerely hope that this epoch-making session will enable our country to attain a degree of development truly in keeping with the wealth of its soil, the sterling qualities of its people, and the exceptional geographic and economic advantages that are Canada's heritage.

In conclusion, Mr. Speaker, I may say without exaggeration that, on the international scene, Canada's destiny is at hand.

(Text):

Mr. J. H. Harrison (Meadow Lake): Mr. Speaker, may I add my congratulations to those that have gone before on your elevation to your present high office. As a new member representing Saskatchewan, I appreciate the great honour, I am sure, of addressing you in this house. I should like to compliment my good friend and colleague the member for Nicolet-Yamaska (Mr. Boisvert) on his address in reply to the speech from the throne. The hon. member for Vancouver South (Mr.

Laing), who gave such a masterly address, also deserves commendation. These were two outstanding examples of fluency in our two official languages. I do not think I have heard anything better at any time. Of course, many great speeches have been given in this house.

I understand that one member who has been here for many years but who, unfortunately, is not at his desk this evening, the hon. member for Temiscouata (Mr. Pouliot), displays a great ability in the art of oratory. He was once able, while sitting on the opposition benches, to secure a railroad station for his town. However, I believe the two new members I have mentioned did a great honour to all the new members generally, and I was surprised that the hon. member for Macleod (Mr. Hansell) should mention the fact that not many of the new members had spoken. Three or four years from now, possibly, he will be more concerned if one of those gentlemen descends into his riding.

I should like to thank the hon. member for Lincoln (Mr. Cavers) for his gift of peaches. I wonder, however, whether he is setting a precedent; we may arrive some morning to find a wet tuna on our desk, a present of the hon. member for Lunenburg (Mr. Winters); from the hon. member for Fraser Valley (Mr. Cruickshank)—nuts. I was pleased with one part of the speech of the hon. member for Vancouver South. I thought he made a nice gesture to the minister from his own province, the Minister of Fisheries (Mr. Mayhew). Coming, as I do, from Saskatchewan, where we have raised some very prominent ministers of agriculture, we make no apologies for the minister we have at the head of the Saskatchewan delegation. I think you will agree with me that of the great ministers of agriculture which Saskatchewan has usually produced, the present Minister of Agriculture (Mr. Gardiner), in the most trying of times, has proved himself to be the greatest that Canada has ever had.

I should like to compliment the members of this house. Many of them, I am sure, have given up more remunerative positions in order to serve their country. We have never had a greater example of this in Canada than that of our present Prime Minister (Mr. St. Laurent). Last night I had a bad dream in which I thought the leader of the Liberal forces in the other place made some remarks of that kind. Although I had them written down previously, I thought that possibly he was stealing my thunder.

As a new member from Saskatchewan, I have watched with much interest and have listened attentively to the impressive procedures of this house. On every hand I have been confronted with the contribution of those Canadians who use the French language as their mother tongue; and on every hand, and especially in this house, they add to the decor and dignity of our surroundings. It is fitting that an English-speaking member from the west should pay this just and true tribute to those of French descent in the east. We have here in these two great races the basis of a culture and a unity which no one can match. Indeed, it is already manifest in the unparalleled growth of Canada to recognized fame as a world power. Oddly enough, we ourselves have been the last to recognize this growth. The first official stirrings are seen in Bill No. 2 now before the house. We would never have achieved this place among the nations without the leaders of vision in both our great races who held before them one goal and one goal only, namely unity. I refer of course to those great leaders, the Right Hon. W. L. Mackenzie King and Sir Wilfrid Laurier. I trust that this house, in all its deliberations, will make Canadian unity pre-eminent above all other considerations.

(Translation):

Mr. Speaker, I am sorry that I do not speak French correctly but I have a great deal of respect for the gallant race that has contributed to Canada's greatness.

Out of consideration for this language, one of the two officially recognized in the country, and for the French-speaking electors of my constituency, I wish to assure my colleagues in the house that my foremost aim will be to foster the still greater improvement of the relations which now exist between our two races in order that Canada may become strong and united.

(Text):

The riding I have the honour to represent, Mr. Speaker, a new riding formed under the last redistribution, is the riding of Meadow Lake, which is a rather large one in the northwest corner of Saskatchewan, stretching along the Alberta boundary for some 450 miles north to the Northwest Territories, and it is about 125 miles in width. Travel by plane is required in order to cover the northern part of it. As the constituency is of such great length, there is a great diversity of effort among its people. In the south end we have a grain belt; in the centre we have mining, fishing and some production of timber; and, in the far north, I think time will show that we have one of the greatest deposits of uranium to be found on this continent.

From some of our Saskatchewan members you have heard a rather doleful story, especially from some of the southern Saskatche-

wan members. My good colleague the hon. member for Maple Creek (Mr. Studer) told you a rather sad story with regard to his part of the country. He said quite rightly that he did not know of any good reason why he should stay there. But he is an example of the kind of stock from which these people come. I just wish to correlate this incident with something I noticed in the discussion of the estimates, and this is what I am trying to get at. There was some discussion about the cost of experimental farms. Speaking to you for people who have had some benefit from them, I want to say that the expenditures on those farms have contributed more to this country than possibly any other expenditure that ever was made. That is what the hon. member for Maple Creek was getting at when he said that they were going to stay there, regardless. Those experimental stations have developed techniques that are from day to day improving and are enabling us to raise crops, by various methods other than those we have usually used, on land that we had previously found to be unproductive. I do not blame the hon. member for staying where he is. I know that these experimental farms will find the answer to productivity in that part of the country in any year. The farmers there have produced in many years, even with present methods.

However, it is not a doleful story that we hear all over Saskatchewan. I happen to have the honour to represent the riding of Meadow Lake, which has always produced. There are parts to the south of it that are sometimes hit by drought also. But there is no more fertile land in the whole Dominion of Canada than that around Meadow Lake itself. Just to give you an idea of what is produced there, I should like to give a few figures. In 1943 just out of the town of Meadow Lake itself we shipped 100 cars of northern lake fish, 512 cars of livestock, 900 cars of grain, 120,000 railroad ties, 10 million feet of lumber and 100,000 pounds of wild blueberries. The fish and the lumber are no longer turned out of Meadow Lake owing in most part to the socialist policies of the government we have in Saskatchewan. Grain production, however, has greatly increased. In 1948 1,500,000 bushels were delivered to the elevators in the town of Meadow Lake. This year, with crops ranging as high as 138 bushels of oats to the acre and 78 bushels of wheat to the acre, there will be delivered to those elevators in the neighbourhood of 3 million bushels of grain. I do not believe there is on the whole North American continent another delivery point of that size. Last year there was delivered to the town of Meadow Lake $1,500,000 worth of various hay seeds, mostly alfalfa. I should like to point out to the Minister of Finance (Mr. Abbott) that these mostly go over the border and provide much-needed United States dollars. Our uranium deposits as they are developed in the north will naturally contribute also toward that end.

For some time Meadow Lake has been represented in the house severally by Mrs. Nielsen, who represented North Battleford, and Mr. Townley-Smith, who was a member of the C.C.F. party. We take our politics fairly seriously in that constituency, but not too seriously. During the campaign just finished I was on good terms with the C.C.F. candidate. We were personal friends and very likely will always continue to be. During the election campaign the hon. member for Peel (Mr. Graydon) was in my riding.

Mr. Graydon: I am afraid I elected you.

Mr. Harrison: Thank you. I might say that many of his compatriots of good substance found it fitting to support either me or the Prime Minister (Mr. St. Laurent)—I would not know which for sure.

There is one crying need in the riding which I represent and which I place on the highest priority. Some years ago, just when the drought was settling in the west, an attempt was made to grade a piece of railroad from St. Walburg through to Beaver Crossing, which is a distance of some ninety miles. At that time there was not a great deal of agricultural land broken up in that area, and now there is and that is where this alfalfa and all of this grain is being produced. The grade is in but some of it has deteriorated in the meantime. We had not only the depression of the thirties, but the ensuing war conditions and so on, when people realized that they could not have this railroad completed at that time; but they do not see any particular objection to having it completed at this time. I can assure you that along parts of that line double the acreage is now under cultivation as compared with a year ago, and that breaking is going ahead quite rapidly. There is also a short strip that needs completion, which is known as the Heinsburg gap between Heinsburg and St. Walburg. I trust that the minister will take note of these and see if he can give us some action on the railroads mentioned.

May I refer to another priority? We have a good deal of fishing in my constituency and it is centred at a place that is known as Buffalo Narrows, which is the centre of the great waterways running to the north. It has been fished pretty well most of the year. Our experience in the west has been—and I think that is true of everywhere else—that you cannot continually reap a crop without

sowing some seed. I should like to point out to the Minister of Fisheries (Mr. Mayhew) that a fish hatchery is much needed at that point. Fishing supports the Metis in that part of the country.

An Indian tuberculosis wing is also required on the hospital at Ile a la Crosse. During my travels I found that a number of Indians, especially younger children, are sent to Prince Albert, which is a very good institution for treating tuberculosis, but unfortunately the makeup of the Indian child is such that it more or less pines away when it is away from its parents. In spite of the best of care in Prince Albert, these children do not respond to treatment as they would if they were at home where their parents could visit them from time to time.

I have taken great pleasure in informing you about the constituency of Meadow Lake. As I said, it is a large one to cover. I covered it three times during the campaign, twice before the election and once afterwards to thank the people for the way they had treated me. I took Mrs. Harrison along with me and one of our daughters. We flew through to the north side of lake Athabasca to the gold fields area and to the mining development going on up there. I speak of my constituency firsthand, and I am able to tell you that I am the first representative from that constituency who has been able to speak firsthand of it, because none ever travelled up in that northern area before.

Before I conclude my remarks, Mr. Speaker, I should like to compliment the leader of the opposition (Mr. Drew). I have never had an opportunity to meet him personally, but I have been impressed with his attitude, and I might say his contribution to decorum, in this house. I appreciate that to the fullest extent. The hon. member for Peace River (Mr. Low) was kind enough to come over and say hello to a new member when we came in. I have not had an opportunity to meet the hon. member for Rosetown-Biggar (Mr. Coldwell), but he was in my riding. He is a very able man and I do not doubt that we shall get along very well even though we are on opposite sides of the house.

Mr. A. L. Smith (Calgary West): Mr. Speaker, I assure you that in spite of certain reverberations which have come from behind me I am on my feet; I also assure you at the outset, sir, that I shall not continue very long. But I do want to bring to the attention of yourself and the house two matters which I regard as somewhat important, one probably local and the other somewhat general. Before doing so I wish to add my congratulations first, sir, to you and then to the chairman of the committee of the whole, to the clerk and to the clerk assistant, and to the mover and seconder of the address. I must say with respect to the seconder, the hon. member for Vancouver South (Mr. Laing), that it has been my business for more years than I care to remember to listen to speeches. I do not mean those made in this house which of course are of the very highest order at all times. One can say things here with his tongue in his cheek and under our rules nobody can dispute him. I must say about the speech of the hon. member for Vancouver South—I speak seriously—that as a matter of sheer eloquence it was in my judgment just about the finest thing that I have heard in the five years, this being the sixth, that I have been here. It was eloquent not merely in phrase-making. It was the eloquence of a man who must write, I am sure, because it had a solid foundation of ideas behind the wonderful expressions which he used.

I am going to speak briefly on only two matters. May I assure you, sir, with respect, that I have been tempted many times but I am not going to try to shoot for a minute and a half into French—which I am sure will please you and all other hon. members. We have it suggested that many new committees be set up. I think that a committee should be set up among the French members who would censor the French pronunciation of those persons to whom French is not the mother tongue. We might even include the Prime Minister (Mr. St. Laurent) because he looks to me so differently at times. When he changes language he changes personality, but may I say to him in compliment that with each change he gets better and better all the time.

I am going to make a request of the Minister of Transport (Mr. Chevrier), and I hope I shall be making it of the proper minister. It is this. In view of the change in the value of our currency it is time that he, or those charged with the responsibility, should make a re-examination of the problem of coal to these middle Canadian provinces. It seems to me that this 10 per cent must be to them a heavy factor. I refer to the price that they are paying right here in Ottawa. I noticed in yesterday's paper that the minimum price of what is called furnace coal, right here in Ottawa—and in brackets were the words "American coal"—was $24.35 a ton.

Perhaps I am the one member, apart from the then minister of mines and resources, who read carefully from cover to cover the report of the coal commission. While there were a lot of words in that report, we now have a problem of great importance to those people out there, and to the people in this

portion of Canada where, in view of the dollar situation, a great contribution might be made to ourselves, while at the same time assisting our railway people and all others who would be engaged in the transportation of that product. I know we have certain subventions in railway rates.

I pay great compliment to my old friend Frank Neate who, I believe, knows more about coal matters in Canada than anyone else in Canada. I would mention, too, Dr. Camsell, whom I met in the elevator only yesterday. But it does seem to me there is a real opportunity for reconsideration and restudy of this whole problem.

We are told—and I am sure it is true—that our No. 1 currency difficulty is in connection with the securing of American dollars for the purchase of coal in the United States. I make these observations, not in any critical sense at all, but merely as a suggestion to those who are responsible, and would urge my view that this is an excellent time to re-examine the whole problem. The benefits to Canada as a whole are certainly large; the prize is worth while. It is worth examination and striving for to bring about unity in our country—and I mean unity in the economy of our country. Perhaps it would bring us together and do all of us a great deal of good if we were to examine that problem.

I apologize to you, sir, and to my old personal friend and political colleague for having interrupted him a moment ago when he referred to the transportation of oil. Let me say that the increase in the production of oil in Alberta is nothing less than phenomenal. I do not think anyone can laugh off 65,000 barrels a day. That can be greatly increased, of course, the moment we are able to bring it to market. It seems to me the only solution of this whole problem is that our oil from Alberta should find outlets in the United States, and that oil from the United States on an exchange basis should enter eastern Canada, thereby making our dollar situation infinitely easier and giving us a tremendous shield by way of markets.

I am sure we would find that our American cousins would agree with that, because we know that in so far as new discoveries are concerned in the United States, they are not beginning to keep up with the consumption of the product in that country. May I, to my good friends from Saskatchewan, and particularly my hon. friend the member for Meadow Lake (Mr. Harrison), who spoke a moment ago, give a little bit of good news—theoretical as it may be. Some weeks ago I spent an evening with an old friend who, I believe, is the outstanding geologist in that country, and who has had longer experience there than anyone else. I refer to my friend Dr. Ted Tink, who was with the Imperial Oil Company, but who is now retired and acts as a consultant. He showed me a map showing what is called the sedimentary basin—because it is admitted now by all geologists that oil comes from the dissolution of marine life in sediment.

So we have this sedimentary basin; and there is a trifle more of it in Saskatchewan than there is in Alberta. From a geological standpoint, that sedimentary basin in those two provinces is larger than any or all similar basins in the United States—Texas, Oklahoma, Kansas, Michigan, Illinois, and all those states where oil is found.

I mention this to put before the house not the certainty, probably not the probability, but certainly the possibility in that tremendous prairie area of an oil field greater than this world has ever known. We need not speak of the economic possibilities of that; do not let us confine it to its equivalent in American dollars. Let us think of it on the basis that perhaps—and God forbid—we may be in another war. Everyone knows now that wars are fought on gasoline. With the exception of a small amount of oil from the Roumanian fields, the Germans fought the last several years of the last war on synthetic gasoline made from coal. Here we are in this country with amazing coal deposits. Scientists have not changed the volume. It is still 14 per cent of the world's known coal deposits.

I have mentioned these things because they are problems for study, and may throw some light on our future. I am sick and tired of listening to people who point out to me the difficulty we are in and the certainty of depressions—and even collapse—next year or the year after. I am thoroughly fed up with all those people who tell us about the housing difficulties—and there are difficulties—and about the small amounts of money that some of our people earn.

These things are true. Then they blame it all on the system known as the free enterprise system, individual enterprise—call it what you like. But, admitting there are many things wrong, I think it is just about time to say that the people who do all this complaining would not be here if it were not for that same system. Let us never forget that, while there are things wrong with it, you don't throw the baby out with the bath water. You try to improve the system, if you have a nickel's worth of brains in your head; and you do not try to destroy the thing and start all over again from nothing.

You will remind yourself, Mr. Speaker,—and you are younger than I am—that in your time we got the telephone and the electric

light. Where I lived we got indoor plumbing. We did not complain about things. Why? All this is comparative. In Regina, where I was born, everybody was broke and because everybody was broke we did not know we were broke. So we all had a splendid time.

I speak with some experience of that country. My people drove into Regina in 1882 ahead of the C.P.R. from Indian Head and got there in February 1883. At that time I was not even a twinkle in my father's eye, as I was not born until 1886. But my mother has told me of the first winter when they lived in a tent on frozen potatoes and buffalo meat. Were they unhappy? Certainly not. We were a splendid people. Many of us have survived and some of us have achieved something. But we did not bite at everything and blame the government for it. We did not live that way.

At that time we had the old government of the Northwest Territories. I remember going up there as a high school youngster. I was about to say that I went upon my bicycle but I remember that bicycles were not even invented. I ran up there and I watched Sir Frederick Haultain take the hide off an old friend of mine, Viscount Bennett as he later became and who now is gone. As you know, Sir Frederick died in Montreal only a short time ago. I have been politically minded ever since, but I had to wait until 1945 when the weakness of my political enemies put me down here—and I got back again in 1949. But I claim no right to be a statesman or anything of that kind.

I am glad the Minister of Veterans Affairs (Mr. Gregg) is here and I am sorry the Minister of Justice (Mr. Garson) is not. I should like at this time to make a special plea which may be somewhat out of place. In your absence I made a speech the other night about football during the agricultural estimates and no great harm was done to anyone at that time. The matter I wish to bring up was not mentioned in the speech from the throne. I make a plea on behalf of the older superannuated mounted police.

These men have been to a number of governments but they have not got anywhere. I appreciate the difficulty of this government and of the government between 1935 and 1940 when faced with this problem. I appreciate that the minute you alter the superannuation pay for any government servants you probably open up a subject which may be too large and too difficult to deal with at one time. That is the answer these men have always been given.

[Mr. Smith (Calgary West).]

I speak of these men with more than sympathy; I speak of them with enthusiasm. I was born in the place which was the headquarters of that force. I saw them go off to the South African war. I saw them go off to the Klondike trail. In fact my only successful business transaction, outside of the money I make from reading the law books on the walls of my office, was made at that time. I stole a hockey stick from my father's store. That was the beginning. I traded it to a lad by the name of Cameron Bennett for a dog and I sold the dog to the mounted police for $4. As I say, that is the only successful business transaction I have ever had. I am sorry it had to begin with a theft, but after all my father had a lot of hockey sticks in his store.

Many of the men I am speaking about are alive today and perhaps that is all you can say for them. The answer that has been given to these men by both Tory and Liberal governments—I make no distinction—is that this is a civil service matter. It seems to me that that answer is completely wrong because in a sense these men were not civil servants. They were men of the army. They were under discipline. They did not have an eight hour, a nine hour, or whatever it may be, day; they were on duty—not actively it is true but on call—for twenty-four hours in the day.

Their numbers have been cut down by violence. As a youngster I heard of the famous case involving an Indian by the name of Almighty Horse who killed Sergeant Colbrook. We lost half a dozen policemen trying to capture him up near where the hon. member for Lake Centre (Mr. Diefenbaker) comes from. I remember the facts of that case. Colbrook was told to bring in this fellow and he and a young half-breed interpreter went out for him. They met up with this Indian buck. He told Colbrook, "Come one step further and you are a dead man." Colbrook had been told to bring him in alive; he took that other step and was shot right between the eyes. That is not civil service; that is the case of a man going out in defence of decency.

I can remember the first time we had trouble with the Doukhobors. Thank goodness they have left us and gone to join our friends in British Columbia. They say they find themselves more at home there, and now they are burning up schoolhouses, shooting at one another and that sort of thing. I can remember an old police sergeant who was there when they first went on one of their nude parades in the vicinity of Yorkton. The police went out and brought them in and they were quartered in what we called the riding school. You have nicer names for those buildings now, you call them armouries and

all that sort of thing, but we called it the riding school. They lived upstairs but they were not very good residents. For one thing, they would not take a bath. If you had a rope with two pails attached they would walk along and perhaps splash it over themselves, but beyond that they just would not take a bath. We kids used to go up and watch them eating grass. They would roll it up into little balls, push it in their mouths and eat it. But they refused to bathe.

You can imagine the condition of things. They were not exactly as sanitary as the Minister of National Health and Welfare (Mr. Martin) tells us they should be. The police brought them down to Wascana creek, which the right hon. Minister of Agriculture (Mr. Gardiner) will remember quite well. At that time we did not have the beautiful lake there is there now; there was just a little dam which made a swimming hole for us. I have no doubt the minister has been there many times.

They took them down there and there was one chap who called himself John the Baptist. He was a most recalcitrant creature. They asked John the Baptist if he would go in and take a bath and he said he would not. Four mounties picked him up and—one, two, three, four, and in went John. The weeds in that creek were something. Talk about the sedimentary basin in Alberta! We certainly had one there. Out came John the Baptist and he said that he would not walk back; they would have to carry him. It was then as a youngster that I learned for the first time what a frog march really was. The way they did it was this: There was one on each arm and one on each leg and they marched him with his stomach toward the front. Then as they went along and when John least expected it the fifth man came in with an awful push in the middle of his back and John walked. That is neither here nor there.

What am I seeking for these men? I have their consent to say what I am saying inasmuch as they have their own veterans organization. I had hoped to have the parliamentary assistant from Coast-Capilano to help me, but I know I have his sympathy. All I am asking at the present time is that these old men who are ill and crippled, and who have retired on these pensions granted long ago, which we all know are not sufficient to maintain life itself, let alone a living in decency, be allowed hospitalization on the basis of military service.

I say, Mr. Speaker, with the greatest respect to everyone here, that is not asking a great deal. I realize that it requires the co-operation of two or probably three departments. There are not many of them left. They are pretty well all gone now. It seems to me that the cost would be small and would not violate any principle except to convince ourselves that those men were keepers of the peace who did not leave their jobs at five o'clock. I am not criticizing people who do; do not misunderstand me. In the old days, and I think it is still true, a mounted policeman who lost a prisoner after five days on account of lack of sleep was put in the clink. That was true then.

I remember a poor chap who brought one down to Battleford. There was no railway through Battleford in those days. I know that, because in 1903 I walked from Lloydminster to Battleford and from Battleford to Saskatoon on the top of the railway dump, and it is 100 miles in each lap. I do know that I never enjoyed a walk more in my life, just a couple of hundred miles before breakfast.

I know of one man who is still confined in one of our mental institutions. He is a very old man now. He had a prisoner and he travelled for five and a half days with him. The only thing he could do was to handcuff him to himself. He arrived in Battleford. That was before North Battleford was ever heard of. In those days Battleford was a police post. I could give you instance after instance of which I have personal knowledge.

I know that the heads of the proper departments will be sympathetic, but I ask them not to treat it as a difficulty which cannot be overcome because of interference in some larger plan. It is not a part of a larger plan if we regard these men as having given not civil but military service to our country, which they have been giving from the days of the Riel rebellion. You can take the whole history of this country, and their major service has been that of maintaining law and order. The country was not as civilized then as it is now when every time a person puts out his hand and does a nickel's worth of work for himself he asks for ten cents from the government. Many of us are getting into that habit. Thanks very much; I will accept a retainer at any moment from any member of the government.

I do say with the greatest respect and deference that those of these men who are still alive, and who are in the Belcher hospital in Calgary or some place like that, should be allowed to live out their last days in comfort and, having eaten a sausage for breakfast, not worry whether they should or should not have saved half of it for their dinner that night.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, after the marvellous stories of western Canada with which we have been regaled during the past forty minutes, the house might be willing to have the debate adjourned.

On motion of Mr. Fulton the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. St. Laurent: As provided by the terms of the motion adopted on the first day, we will proceed with government business tomorrow. The first order of business will be the second reading of the bill to amend the Supreme Court Act, and, after that is disposed of, estimates.

Mr. Knowles: What department?

Mr. St. Laurent: The Department of Agriculture has not been completed. If it is completed, I understand that the Minister of Justice is prepared to proceed with his estimates.

On motion of Mr. St. Laurent the house adjourned at 10.50 p.m.

HOUSE OF COMMONS

Friday, September 23, 1949

The house met at three o'clock.

ATOMIC ENERGY

EXPLOSION IN U.S.S.R.—INTERNATIONAL CONTROL, AND USE FOR PEACEFUL PURPOSES

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I felt that my first public reference to the subject matter of the statements issued this morning by the President of the United States of America and by the Prime Minister of the United Kingdom should be in this house.

In the course of Mr. Truman's statement he said:

> We have evidence that within recent weeks an atomic explosion occurred in the U.S.S.R.
>
> Ever since atomic energy was first released by man, the eventual development of this new force by other nations was to be expected. This probability has always been taken into account by us.
>
> Nearly four years ago I pointed out that "scientific opinion appears to be practically unanimous that the essential theoretical knowledge upon which the discovery is based is already widely known. There is also substantial agreement that foreign research can come abreast of our present theoretical knowledge in time." And, in the three-nation declaration of the President of the United States and the prime ministers of the United Kingdom and of Canada, dated November 15, 1945, it was emphasized that no single nation could in fact have a monopoly of atomic weapons.
>
> This recent development emphasizes once again, if indeed such emphasis were needed, the necessity for that truly effective enforceable international control of atomic energy which my government and the large majority of the members of the United Nations support.

On this occasion I would only say that the government of Canada associates itself fully with these observations, as it had done with the decision to make public the information contained in these statements.

May I express the hope that with new knowledge may come a new sense of a shared responsibility for and an equal interest in agreeing on an effective enforceable international control of atomic energy so that this new force can be used solely for peaceful purposes.

FREIGHT RATES

JUDGMENT OF TRANSPORT BOARD—QUESTION AS TO DELAYING ACTION

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): I should like to direct a question to the Prime Minister. Does section 52 of the Railway Act give the government the power to rescind or vary a decision of the judgment of the board of transport commissioners? If so, in view of the discriminatory structure of Canadian railway and express rates, will the government exercise its authority to delay the coming into effect of the board's decision until the house has had an opportunity of discussing the royal commission's report on the present rate structure of the railways?

Mr. St. Laurent: The Minister of Transport is prepared to answer the question.

Hon. Lionel Chevrier (Minister of Transport): The answer to the first question is that the powers of the governor in council under section 52 of the Railway Act are judicial in nature and have to my knowledge never been exercised since confederation with perhaps one exception in 1917, in the case of the McAdoo award.

The answer to the second question is that after giving consideration to the position, and without prejudice to appeal, the government does not intend to interfere with the judgment.

FOREIGN EXCHANGE

DEVALUATION OF CANADIAN DOLLAR—EXPORT PRICES

On the orders of the day:

Mr. J. L. Gibson (Comox-Alberni): I should like to address a question to the Minister of Finance. Does he think the devaluation of the Canadian dollar will cause Canadian exporters to cut their prices in foreign markets? What would be the effect of such cuts upon our receipts of foreign exchange?

Hon. Douglas Abbott (Minister of Finance): The hon. member has given notice of this question, and I should like to answer it in this way. I would hope that Canadian exporters would not cut their prices unnecessarily. Canadian export prices have been competitive, and are relatively low compared with those in most other countries. If the prices at which our goods are sold abroad in terms of foreign currencies are reduced beyond what the competitive position requires, we shall get less foreign exchange. As I said the other day we need to receive all the foreign exchange we can get in order to enable us to pay for our imports and to keep our over-all trading account on the right side.

Inquiries of the Ministry

Mr. Gibson (Comox-Alberni): May I ask this supplementary question? If this course is followed, does it mean United States importers of Canadian products such as lumber and newsprint will be paying the same price in their currency as they formerly paid?

Mr. Abbott: Yes; that is right.

FISHERIES

PINK SALMON FISHING ON THE FRASER RIVER

On the orders of the day:

Mr. Angus MacInnis (Vancouver East): I should like to ask a question of the Minister of Fisheries, based upon a telegram received today from Vancouver. Is it the intention of the department to close area 17 on the Fraser river to pink salmon fishing? If curtailment of fishing is necessary for conservation, could it not be met by extending the weekly escape period, so that the hundreds of small gill net fishermen could get their fair share of the catch?

Hon. R. W. Mayhew (Minister of Fisheries): The department has already replied to a similar telegram received from the United Fishermen's Co-operative Association in Vancouver, pointing out that the situation is at present under review.

Under the Fisheries Act we are responsible for conserving the fisheries. This year the run of pink salmon up the Fraser river appears to be smaller than the parent run of two years ago. Up to the moment the number of fish which have been caught in the river itself is small, and escapement to the breeding grounds has been negligible. At present the gill netters are allowed to fish four days a week, with a closed period of seventy-two hours. During the current closure the department has all its available local staff on the river, and estimates are being made of escapement. No decision has yet been made to close the Fraser river next week. Any decision made then by our chief supervisor, who is on the river, will be based upon the views of an experienced staff, in consultation with fishermen and others interested.

Mr. Green: I was going to ask the same question. It does not pay to be too polite around this chamber. Is the minister taking into consideration the fact that seine-fishing boats have already been able to catch a great many of the fish which would have been going up the Fraser river, and would otherwise be available to the small gill netters? The suggestion in the telegram I received is that the small man has not been treated fairly as compared with the big fellow who has an expensive seine boat.

[Mr. Abbott.]

Mr. Mayhew: Fishing by seines has been closed for some time—since the twentieth, I believe. The only gill-netters in the Fraser river are now fishing in area 17, or up the Fraser river. The amount of fish caught by seines has been large because of the great amount caught this year in the strait. This year the weather was favourable for fishing in that area, and therefore the seine nets did get quite a fair quantity of fish. The situation of the gill netters is one which is being considered.

Mr. Gibson (Comox-Alberni): Has the minister any information about the quality of the gill net fish which are being caught in the far reaches of the Fraser river?

Mr. Mayhew: The quality of pink salmon caught in the Fraser river as a rule is not as high as the quality caught farther out in the sound, or in the strait of Juan de Fuca.

PANDIT JAWAHARLAL NEHRU

QUESTION AS TO VISIT TO CANADA

On the orders of the day:

Mr. Gordon Graydon (Peel): I should like to direct a question to the Prime Minister. During the summer it was believed that Canada might expect an official visit from Prime Minister Nehru of India. Is the Prime Minister in a position to indicate to the house whether or not Canada will be favoured by a visit from him this fall?

Right Hon. L. S. St. Laurent (Prime Minister): The answer is yes. I could not give the house the tentative dates which have been set for the visit; I should not like to give them from memory. At another sitting I shall indicate the dates which have been tentatively set.

CANADIAN PACIFIC AIR LINES

CRASH OF AIRCRAFT—CONSIDERATION BY COMMITTEE

On the orders of the day:

Mr. A. L. Smith (Calgary West): I should like to ask a question of the Minister of Transport. Has he any statement to make in connection with the destruction of a Canadian Pacific air liner a short time ago in the vicinity of Quebec? I think the minister will know that I ask this because of persistent rumours which have been heard.

Hon. Lionel Chevrier (Minister of Transport): I am aware that certain rumours have been circulated in connection with the air crash, but I am unable to make a statement until the investigating board appointed for the purpose of investigating the crash has

reported. My officials informed me this morning that the committee is still considering the facts.

Mr. Smith (Calgary West): Has it been found that there was an explosion before the crash?

Mr. Chevrier: The preliminary report so indicates.

IMMIGRATION

ADMISSION OF GERMAN NATIONALS TO CANADA

On the orders of the day:

Mr. W. Ross Thatcher (Moose Jaw): I should like to ask a question of the Minister of Mines and Resources. Has the government given consideration to relaxing the immigration laws in order to let into this country German nationals who have relatives in Canada?

Hon. Colin Gibson (Minister of Mines and Resources): I did not receive notice of his question from the hon. member, but I shall be glad to look into the matter and make a statement later.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed, from Tuesday, September 20, consideration of the motion of Mr. Garson for the second reading of Bill No. 2, to amend the Supreme Court Act.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, with regard to the bill now before the house, one must consider not only the broad principles involved but also the extent to which the bill meets or falls short of the requirements of the subject under consideration.

With the statements made by the Minister of Justice (Mr. Garson) as to Canada's sovereignty, there will be little or no disagreement. Our full national stature was recognized without any reservation when Canada signed the treaty of Versailles in June, 1919. If there had been any doubt before, it was removed by the signature of Canada to that document, as a full and sovereign nation, and also by the statements which accompanied that act. Since then, of course, there have been a number of events which have emphasized the constitutional stature of Canada as a nation, and every Canadian shares a feeling of pride in the place which this country occupies in that respect. Every Canadian shares the pride that is felt in the great achievements of a nation of 13,500,000 people, which today occupies a position in the world out of all proportion to its population. About these things there can be no disagreement.

Because of the recent union of Newfoundland, Canada comprises the whole northern half of this great continent. Whatever other changes there may be at any time in Canada's external associations, there would appear to be no doubt that, as one of the hon. members from Newfoundland put it yesterday, Canada's territorial ambitions on the North American continent have been realized. We now occupy that great area, from sea to sea, which was envisaged as an entity by those who prior to 1867 met, first at Charlottetown and later at Quebec, to join in drafting what amounted to a basic constitution under which this federation has grown great and strong throughout the years, upon the very principle of partnership and division of responsibility which was set out in that constitution.

We are all conscious of the part that the constitution of Canada played throughout the years in the achievement of national unity, national growth and national understanding. We are not only proud of Canada's historic past in the sense of the achievements that can be measured in statistical terms; we are proud of it when it is measured in terms of increasing understanding among people who, of different races and different backgrounds, live in widely separated parts of this great land.

Geographical conditions, and the association of two great races, made it inevitable that Canada would adopt a federal constitution. In considering any aspect of this subject we must remember that there never could have been one united Canada as we know it today had there not been full acceptance of the principles incorporated in our federal constitution and set forth in simple terms in the British North America Act, 1867. For that reason it is extremely important that in looking to the immense possibilities of development of this country in the years ahead we should at no time forget that the very strength of this nation has rested upon the respect for that basic constitution which means so much to the people of every part of Canada.

There are some who, overpowered by the dramatic events of the past few years, are inclined to say: "Well, what does the constitution matter anyway? What difference does it make where the division of authority rests? What difference does it make who has the responsibility of particular acts of government or administration? Today we have had emphasized in this chamber the significance of dramatic changes throughout the world, of a kind which make people believe that every-

thing has relationship to these terrifying advances of science which increase the power of destruction.

This is only natural. When we are told that Russia has discovered the secret of atomic power, and has actually carried that knowledge to the point of creating atomic explosions, there is a tendency to reduce all our thinking to the importance of these overpowering events. The fact is that man has gone through the centuries hearing of new dangers, learning of new means of destruction which seemed to be so terrifying that it did not appear worth while to carry on ordinary day by day occupations. Going back to the time when gunpowder was discovered, one can read almost as ominous predictions as one reads today in relation to what may happen as a result of nuclear fission. Recalling these various stages in the history of man's struggle we recognize how each new development brought new concern for the future. In the first world war the launching of the gas attack in April, 1915, caused people to wonder whether it would be possible to meet the terrible consequences of these discoveries of science. But with each of these developments men and women throughout the world are challenged to use, to a greater extent than ever, their intelligence and their powers of co-operation and association for high purposes. No matter what dramatic international events may occur, each nation should be extremely careful to retain the strength of its own internal structure. And when these powerful forces are associated with the danger of aggression against our free system, we should be doubly conscious of the need of strengthening that system to the utmost extent of our intelligence and ability, and in the light of a full understanding of the history of our own country.

Therefore no matter what occurs beyond the boundaries of Canada, a great contribution to the combined strength of the free nations, as well as to our own domestic stability and happiness, will be to remember the lessons of the past and to take no step which might reduce the safeguards we have set up for the preservation of the free system which has been developed and matured under our basic constitution.

No matter to what extent we may agree with the general purposes of the bill in its present form, it is extremely important that every member should examine carefully all its provisions. As was pointed out by the Minister of Justice (Mr. Garson) when he moved second reading of the bill, section 3, the effect of which is to terminate further appeals to the privy council, is the key provision of the proposed legislation.

[Mr. Drew.]

This is not the first time that the House of Commons has been called upon to discuss the abolition of appeals, or a limitation of the right of appeal, to the privy council. It is a long time since Sir John A. Macdonald was responsible for the introduction of legislation which limited the right of appeal to the privy council so far as criminal actions were concerned. I suggest that the history of that legislation in itself offers the strongest reasons why we should be most careful in dealing with this subject, no matter what our views may be as to the object of the bill now before us.

It will be recalled that there was an act of the parliament of Canada in 1887 which was found to be inadequate for the purposes intended. It was followed by another act in 1888, and it was many years afterwards before it was determined that there was any inadequacy in that statute. The history of that earlier legislation, for which Sir John A. Macdonald was responsible, suggests to us that in dealing with a matter which has been the subject of consideration since pre-confederation days we may well examine the full effect of any proposed legislation in this regard, no matter how strong our desire may be to carry out the object of this bill.

The bill does not affect only the right of appeal to the privy council by individuals and corporations in civil matters. If that alone were the effect, there might be little occasion to emphasize some of the considerations we should have in mind today. The effect of the bill would not only be to terminate the ordinary civil appeal to the privy council. It would also terminate the role of the privy council as the body which acts as the referee, if you will, between the different governments of Canada in determining their constitutional rights and responsibilities and the division of authority under the British North America Act. These two aspects of the position of the privy council are of great importance.

The Minister of Justice has pointed out that with the passing of this bill individuals or corporations who are litigants will not be confronted with the possibility of having to carry their litigation beyond Canada itself. But apart from the function of the privy council as an appeal tribunal in civic matters, affecting individuals or corporations, there is the immensely important place occupied by the privy council as an independent tribunal interpreting our constitution in cases where there is a difference of opinion between the dominion and provincial governments as to the effect of the constitution and as to some aspects of their rights and responsibilities or the respective fields of their administrative duties.

The purpose of and the result which would flow from the passing of this bill must be taken into consideration along with the statements which are made in the speech from the throne about proposals to take certain steps in regard to the amendment of the constitution. I should like to read two paragraphs from the speech from the throne which, it seems to me, have a direct bearing on a proper consideration of the full effect of the bill which is now before us. I quote:

> You will also be asked to approve addresses praying the parliament of the United Kingdom to vest in the parliament of Canada the right to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the constitutional rights and privileges of the provinces or existing rights and privileges with respect to education or the use of the English and French languages.
>
> My ministers will seek to arrange for early consultation with the provincial governments with a view to agreeing upon an appropriate procedure for making within Canada such other amendments to the constitution as may from time to time be required.

As I said in my remarks in the debate on the address in reply, it is not easy to say exactly what those words mean until we have before us the resolution which is forecast in those two paragraphs. But from the wording of the second paragraph it would appear that this parliament is to be asked to draw a distinction between federal and provincial responsibilities and jurisdictions. May I qualify that statement by saying that when the resolution is introduced, it may, as sometimes happens, present a different picture from that which would seem to be indicated by the wording of the speech from the throne. I do not suggest that there is any intention that these words should not convey a completely accurate impression, but they are of necessity brief; and the resolutions which carry forward the intention stated in the speech from the throne may go much further than is here suggested. But if the wording of the second paragraph I have quoted means what it seems to mean, it would appear that the provincial governments are to be consulted only in regard to matters which in the opinion of the dominion government—with, of course, the support of parliament—do not fall within the federal jurisdiction.

The very fact that it is so difficult to determine what these words mean is in itself a reason why this whole subject should be approached with great caution, and, in the desire to carry out the object stated by the Minister of Justice, undue haste should not create any situation which might in itself defeat the purpose he has in mind. After all, the whole record of decisions of the privy council in constitutional matters since 1867 is almost entirely an interpretation of the rights or responsibilities of the various governments of Canada, and from time to time there was a different point of view as to where the boundary line between the rights and the responsibilities should be drawn. That being so, it would be unwise for the government or this parliament to seek to deliver the judgment of Solomon without calling in the parties concerned and at least trying to find out which one of them thinks it really owns any particular child that may be under consideration at the moment. After all, this is something that has been under consideration for a long time, and there are still many points of difference as to where that boundary line actually is.

This is not the first time this matter has been spoken of. It is not the first time it has been considered elsewhere. It was considered by a body which has, of course, no official authority to guide the course of any member of this house, which deals with the business of the people of Canada. But in view of the fact that this is largely a legal problem, some attention might well be paid to the views expressed by the lawyers of Canada at their annual meeting, in the same way that in a matter affecting the health of the people it might be wise to consider the opinions expressed by medical experts, or, in the case of some important construction program, the opinion of engineers through their organization. A resolution of the Canadian Bar Association has no higher authority than that of any other similar body, but at least it represents the considered opinion of a profession which is trained to deal with constitutional matters and with legal problems arising out of constitutional questions.

For this reason, and because of the importance of the subject, I should like to read into the record a resolution which was passed, I understand unanimously, by the Canadian Bar Association and—on the very day, if I am not misinformed, that the Prime Minister (Mr. St. Laurent) was honoured by being chosen a life president of that important organization.

The resolution is headed, "Abolition of appeals to the privy council". It reads as follows:

> Whereas the government of Canada has announced its intention to introduce legislation, at the next session of the parliament of Canada, providing for the abolition of appeals to the privy council, and making the Supreme Court of Canada our final court of appeal in all matters;
>
> Be it resolved that the Canadian Bar Association, without expressing any view as to the wisdom or otherwise of the proposed abolition, is of the opinion:
>
> 1. That any bill for the abolition of the privy council appeal should contain the necessary provisions as to the organization and jurisdiction of the supreme court of the system by which its judges will be appointed. That sufficient time be given

before the statute is enacted to permit the public to give consideration, both as to the question whether the abolition of the appeal to the privy council should take place and to the constitution and powers of the court that may replace it, and also to the effect which the abolition may have upon provincial and minority rights.

2. If, as and when the appeal should be abolished, it is the opinion of this association as at present advised:

(a) That the supreme court should consist of nine judges.

(b) That a quorum of the court should be five judges.

(c) That it should sit always with an odd number of judges present.

(d) That there should be no change in the present practice of the court, under which each member is free to give reasons for his judgment.

(e) That the court should continue to sit at Ottawa only.

(f) That the salaries of the judges of the court should be substantially increased so as to make such salaries commensurate with the responsibilities of the office, with an appropriate additional amount to the chief justice.

(g) That the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee.

This is the resolution which was adopted by the Canadian Bar Association. I point out again that it is no more than the resolution of an association made up of members of a profession of which, of course, the Prime Minister and the Minister of Justice are members. Many of the members of this organization are called upon to deal with constitutional and legal problems.

Some of the points put forward in this recommendation are incorporated in this bill, such as the number of judges, and matters of the kind. I believe the Prime Minister and the Minister of Justice will agree that those present at the meeting of the Canadian Bar Association were highly qualified Canadian lawyers, many of them top-ranking experts in constitutional law. It will be seen that they placed emphasis on two things. The first is that sufficient time be given before the bill is enacted to permit the public to give consideration to the question whether abolition of appeals to the privy council should take place, and—I should like to emphasize these words—"to the constitution and powers of the court that may replace it, and also to the effect which the abolition may have upon provincial and minority rights".

In the last subparagraph of paragraph 2 there is the recommendation that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court as well as with respect to past decisions of the judicial committee. The recommendation of this annual meeting of senior members of the legal profession is not something new; it is not something that has been stated for the first time. Similar views have been expressed in this chamber at various times when the subject of amendment of our constitution and related matters were under consideration.

Yesterday we listened to an illuminating exposition of some of the problems presented by this part of the speech from the throne. It was pointed out that the problems related to amendment of the constitution had been under consideration here, and it was one subject upon which Mr. King and Mr. Bennett were in agreement at a time when they sat on opposite sides of this house. In discussing amendments to the constitution, Mr. Bennett used these words—I quote from *Hansard* of 1937, page 2595:

—we can accomplish it more quickly, and more in accordance with our democratic institutions, if we hold a convention representing the provinces and the dominion and all shades of political opinion. There could then be presented to this parliament a petition which could be passed through the Commons and the Senate after the legislatures of the provinces have dealt with it.

It was about that very proposal that Mr. King indicated that he thought this would be the ideal procedure. It may be suggested that the subject under discussion then did not cover as wide a field as that now under review. That is correct, but the fact that we have under consideration, as a result of the statements in the speech from the throne, a much wider field, seems to me to be all the greater reason why we should take steps which would avoid any conflicts or misunderstandings which in the future might weaken the feeling of confidence and mutual good will which has been the great achievement of this constitution during the eighty-two years since confederation.

Something more is involved than the question of appeals to the Supreme Court of Canada. Before the provincial governments are told how their constitutional position will be interpreted it would seem highly desirable that they be consulted as to the procedure by which this will be done, as to the kind of tribunal which would meet their desires, and as to the authority of that tribunal to interpret the constitution.

In the very last subparagraph of paragraph 2 the Canadian Bar Association refers to a matter which is giving a great deal of concern to those who are thinking about this proposal. We must recognize that this is not a subject which can be fully understood without some knowledge of our constitutional structure and the constitutional problem. One question of great importance is this: What is to happen to the decisions which have been made during the past eighty-two years by the privy council and by the Supreme Court of Canada in interpreting our constitution? This is not some-

thing which affects only lawyers or persons who are interested in constitutional niceties; it affects the daily life of all our people.

If we look at the duties which are carried out by the dominion and the provincial governments through all their different departments, we find that many of these departments, if not most of them, are not even mentioned by name—or the subject is not mentioned by name—in the constitution. Whether these responsibilities and administrative duties fall within the jurisdiction of the dominion or of the province was in most cases determined by the result of an appeal to the courts to decide where the dividing line really lay between the fields of rights, responsibilities and duties of the different governments.

If the decisions in the past of the Supreme Court of Canada and of the privy council were to be swept aside, there would be endless confusion, and the whole structure of government would to some extent lose its defined form. Therefore great importance should be attached to the recommendation of the Canadian Bar Association that, when this matter is dealt with, there be no doubt as to the extent to which judgments refining and defining our constitution, either by the Supreme Court of Canada or by the judicial committee of the privy council, shall have their continuing effect in the ordinary way as precedents to be recognized in future interpretations of that statute, except to such a degree as it may be amended.

At the moment we are not in a position to say how far these past decisions would be binding. We are not in a position to say exactly where the boundary line is to be, and what the things are in regard to which the members of the dominion government are to consult the provincial governments. Granted, it says in the speech from the throne that this consultation will be in regard to those other matters; but that implies that there is to be a decision as to what falls within the jurisdiction of the dominion government.

It may be said that it would be extremely difficult to get complete agreement, but the desirability of agreement and of consultation is asserted in the speech from the throne. If it is desirable that the provincial governments be consulted in regard to the way in which the amendments in respect to matters which are strictly provincial are to be made, it is equally important, if not more important, that there be consultation before any attempt is made to divide those fields, because there may be wide disagreement as to where the boundary line actually is. Until some statement is made as to how that definition will be worked out, it is difficult for the provincial governments to know what the basis of consultation will be, or where the borderline will be.

What this really means is that we are splitting our constitution in two, and that in regard to a single constitution which has been the very framework of our nation, all of that structure might be changed without an opportunity to secure the opinion of those who carry on the other part of the combined business of government in this country.

Undoubtedly there are many who sincerely believe that it would be infinitely better if the powers of the provincial governments were limited, and that this country could be more efficiently governed if there were one single government having full authority over the whole of Canada. Those who hold this view are no doubt quite sincere in their expression of that opinion. There are others who do not hold that view, but who nevertheless seem to be unaware of the extent to which that division of authority can be whittled down by apparently innocent extensions of central authority which, step by step, might produce a fully centralized government, in fact if not in name.

There are many who regard the assertion of provincial rights as a relic of the past, as an attempt to play up the importance of provincial authority. But it goes far beyond that. In their wisdom the fathers of the Canadian confederation obtained from the parliament at Westminster a constitution which respected the traditions of our people in different parts of Canada, respected the rights of the people in different geographical areas, and established the rights of those who joined to make this one nation. And it is not enough to assert in mere words the retention of those rights. It is not enough to assert in mere words the retention of that local administrative authority. It must be a reality.

Suppose the dominion government further encroaches upon provincial fields of taxation, which might come from amendments which could be made by this parliament; how much meaning has an assertion of the right of the province to administer education or other local matters, if the province is not to have independent authority to raise the revenues to carry out its responsibilities in that field? The right and the power to obtain such revenue as is required for a particular purpose is the very power of government itself. Any government can be clothed with apparent authority and can be given apparent jurisdiction which has little or no meaning if that government must come to some other government and ask for a sum of money to carry it out.

This is not a theoretical problem. These problems have arisen in other countries. The federal system has broken down in other countries where a division of real responsibility, of real taxing power, of real authority did not go hand in hand under a constitution which could be clearly interpreted and could be invoked through some recognized tribunal just as effectively by one government as by another.

This matter has been given extended consideration by other countries than Canada. It has been considered, for instance, by the United States and by Australia, which countries, with a number of differences, have a somewhat similar federal structure. Just a few years ago Mr. Franklin Roosevelt, discussing this whole subject of state rights—which corresponds to our problem of provincial rights—said something which it seemed to me has application to what we are considering here today. These are his words:

> The preservation of this home rule by the states is not a cry of jealous commonwealths seeking their own aggrandizement at the expense of sister states. It is a fundamental necessity if we are to remain a truly united country. The whole success of our democracy has not been that it is a democracy wherein the will of a bare majority of the total inhabitants is imposed upon the minority, but because it has been a democracy where through a dividing of government into units called states the rights and interests of the minority have been respected and have always been given a voice in the control of our affairs.

This whole question of the importance of a constitution to divide authority and of the interpretation of that constitution was put forward extremely well by a great Australian constitutional expert, Mr. R. C. Teece, from whose analysis of the subject I should like to quote one paragraph:

> The federal system requires a supreme law—known as the constitution—which will embody the above-mentioned principles, whose provisions can only be amended by some authority above and beyond the ordinary legislative bodies, whether central or provincial. The necessity for such a supreme law can be easily deduced from the other features of federalism. This dual system of government involves, as we have shown, an elaborate distribution of powers between the states and the nation, and the delimitation of the powers granted to each. If the national government were able to extend the powers vested in it, the component states would have no guarantee for the continuance of that amount of independence reserved to them when they entered the federation. If the legislature of state or province could extend its powers, the authority of the central government would be illusory. The very nature of federalism, then, demands that there should be a supreme law defining the powers of the central and state governments, and declaring illegal and invalid any law that they might pass in excess of those powers. For the same reason it follows that it must be beyond the competence of both central and provincial legislatures to alter that supreme law. The authority to do that must be vested in some body in which the legal sovereignty of the federation will thus reside.

In that discussion and in the discussion which has taken place here in Canada there has been the repeated suggestion that if, as and when appeals to the privy council are ended in respect to constitutional matters, appeals in constitutional matters should not go to the Supreme Court of Canada as such but should go to some special constitutional tribunal. This may or may not be an acceptable suggestion but reasons have been put forward for its being considered desirable.

It has been pointed out that in the United States their constitution is interpreted by the Supreme Court of the United States. It has been pointed out also that the Supreme Court of the United States operates within a much more rigid framework than the Supreme Court of Canada; not only is it part of the constitution, but the constitution is a rigid one which can be changed only by a system of general amendment supported by the people of the United States. Nevertheless, as you know, sir, questions have been raised as to the interpretation of constitutional matters by the Supreme Court of the United States, and it has been suggested there that it has not been wise in every case to place upon the Supreme Court of the United States the onus of actually writing the constitution. Because of that very fact the Supreme Court of the United States has in certain cases become the centre of political controversy. I should hope that, by every device within the wisdom of this parliament in both its houses, the respect for the Supreme Court of Canada will be preserved by keeping it aloof from anything that might savour of controversy.

It may be said that these are not matters affecting the provinces, and that past history shows that it may be difficult to get agreement by the provinces. Our constitution is one constitution; it is not something that is broken down through the middle. If it is to be changed and a new tribunal set up to determine the rights, responsibilities and administrative duties under it, then I earnestly urge upon the government a recognition of the fact that such constitution as we have in the future will operate best to the advantage of every Canadian if suggestions and proposals are obtained in advance in regard to every aspect of this problem instead of dealing with it piecemeal as is now proposed.

The question of appeal in constitutional matters is part and parcel of our whole constitutional structure. It cannot be separated. As Mr. Teece points out, the constitution itself is the supreme law. But along with that goes the tribunal that will interpret the

law, and there must be acceptance of that tribunal; there must be understanding that the tribunal will protect and preserve the rights of all parties and all governments and of the people themselves who live under the guidance and jurisdiction of those governments.

It has been said by the Minister of Justice that there should be no delay in dealing with this matter. But it has not been made clear just why a matter of days or weeks is vital in connection with something that has been continued for eighty-two years.

The minister says that this decision should not be postponed an instant longer. I hope that when he was referring to the smallness of mind and the meanness of spirit of any who might question the desirability of acting immediately in this matter he was not referring to the members of the Canadian Bar Association, who have strongly recommended delay so that there may be full opportunity to examine this matter. I know that the matter was discussed with him when he was at Banff attending the meetings of the Canadian Bar Association, and of course he would be the first to recognize the sincerity of purpose of the men who drafted that resolution.

This question is related to the whole constitutional problem. I am speaking now about the constitutional aspect of it, not about the ordinary civil appeals. I am referring to the appeals that will determine the constitutional position of this country in the future and the kind of federal system we shall have. I know that assurance has been given by the Prime Minister that the rights of the provinces will not be whittled down, but I cannot imagine what injury will follow by holding this back until there can be full consultation in regard to the whole question. I strongly urge that this matter be held back, along with others affecting the constitution, until the whole constitution and its interpretation and the system by which its terms will be interpreted can be discussed fully by the representatives of the dominion government and the provinces.

I am not arguing today for any status quo in regard to the constitution. On the contrary I believe that our constitution can in many respects simplify the procedure and avoid the duplication that now exists between governments. I am not going to go over the many things that have been said, but I want to emphasize that I have not changed my belief in a strong central government dealing with matters that are of national concern, and defined as being of national concern, and in strong provincial governments dealing with matters of provincial concern. But we shall cut down the cost of government if we clearly define the fields of responsibility and avoid much of the duplication which now exists, and if there is general agreement as to the kind of tribunal which will interpret the constitution of our country.

I think there is a good case for the setting up of a special committee to deal with this whole matter, to examine the problems involved and to give advice. This would be accompanied by the setting up of a constitutional convention fully representative of the people of Canada, both in the dominion and in the provincial sphere. In this way we would be making a more progressive move, not merely taking a partial step, the effects of which cannot be fully known until the remainder of the picture is fully understood and is fully seen.

I would urge the setting up of a committee to deal with this whole constitutional question. Similar committees have been set up in the past to deal with this very subject. There are within this chamber many men whose special knowledge would greatly advance the sound development of our constitution and the procedure by which it will be interpreted. Having regard to the view I have expressed that there should be opportunity for consultation in regard to the whole constitutional question, I intend to move an amendment. This is not a formal amendment but it does give the opportunity to do the thing I have urged. I move, seconded by the hon. member for Peel (Mr. Graydon):

That the word "now" be left out and the words "this day six months" added at the end of the question.

I present this amendment, Mr. Speaker, in the hope that it will be accepted as the means by which an opportunity can be afforded to carry out an inquiry and discussion of the kind suggested by the Canadian Bar Association and others interested in this subject. That, I believe, would not only preserve for the future the advantages we have derived from the great constitution we have known in the past, but would also develop, as the foundation of an even greater Canada in the years ahead, one of the most effective, most workable, and most easily understood constitutions in the world.

Mr. Coldwell: Does the Prime Minister wish to say something?

Right Hon. L. S. St. Laurent (Prime Minister): I congratulate the leader of the opposition (Mr. Drew) and even thank him for much of the constructive material in the interesting speech he has just delivered. Of course I must at once disappoint his hopes that the government would accept this amend-

ment for a six months' hoist of this bill. There are some portions of the last part of his speech with which I cannot agree, but may I say at once that I think we are all pursuing the same objective and have the same goal. We wish to maintain in Canada a federal system that will promote the further development of the Canadian nation.

The leader of the opposition has suggested that at this time there might be set up a constitutional committee to go into the question. I think he himself provided the answer to that suggestion because he said it had been done many times before and had got us nowhere.

Mr. Drew: Mr. Speaker, I do not want to interrupt, but I did not say it got us nowhere. I said it had been done many times before.

Mr. St. Laurent: It had been done many times, and, knowing the record, I add that it got us nowhere. The leader of the opposition says that whenever there has to be any kind of amendment whatsoever to any part of the constitution there should be consultation with the provinces. That is an opinion that is very frequently voiced, but it is one which we cannot accept. It would imply that the British North America Act is a contract, and that every clause thereof has the effect of a contract between the Canada that did not then exist and the provinces that did not then exist, but which would affect Canada as it now exists and as it came into being when the act was proclaimed, and the provinces which came into being at that time.

With that theory we are in diametric disagreement. We think the British North America Act is a statute which had the effect of distributing the sovereign powers of this young and growing nation between the central authority as to one part of them and the provincial authorities as to the other. We think that the central authority has no right whatsoever to deal with anything which was allocated to the provincial authorities; and on the other hand that the provincial authorities, legislatures and governments, in respect of matters which by the constitution were allocated to the federal parliament and the federal government, do not represent the people who inhabit their provinces. With respect to those matters allocated to the federal parliament and the federal government, the people inhabiting the provinces are represented by the members they elect to sit and vote for them in this House of Commons.

That is not only our theory. That has been the theory followed in practice since the earliest days of confederation. Not less than ten times from 1871 to 1949, amendments to the constitution have been proposed and made without consultation with the provincial governments or the members of the provincial legislatures. That has been the practice, and in the responsible position we occupy we feel that we have no right to recognize that the provincial legislatures or provincial governments have any control whatsoever over those matters of public interest and national sovereignty allocated to the federal authority.

I do not wish to anticipate the debate which will arise when we propose the address respecting the amendment of the constitution foreshadowed in the speech from the throne, but in an effort to allay any anxieties which may exist in anyone's mind, that we are going to attempt to say where the dividing line is between federal and provincial jurisdiction, may I say that I tried to point out the other day, as reported at page 35 of *Hansard,* that that would be a function the legislative body would not undertake. The legislative body would merely use language which would leave it to the courts to say where the line of demarcation was drawn. The principle would be established that this parliament could deal with matters that had been allocated to it by the constitution, and could not deal with matters that had been allocated to the provinces, or with rights or privileges guaranteed to the provinces, or with rights or privileges in respect of schools, or in respect of the use of the English and French languages, as guaranteed by the constitution.

The language to be used would be language which would have to be construed by the courts in each individual case when a particular amendment was challenged. The courts would have to decide whether there had been an attempt to deal with a subject matter here which did not come within the class of subjects allocated to the federal authority. That is why I agree fully with the leader of the opposition (Mr. Drew) that the role, whether it be that of the privy council if this bill is not adopted, or that of the Supreme Court of Canada if it becomes the final tribunal for the decision of Canadian cases, will be a most important one. When there is a contest the Supreme Court of Canada will have the function of deciding which contestant is in the right and which contestant is in the wrong, not by creating new law but by applying the law as it exists.

That makes it extremely important to have the right kind of a court of justice to make that pronouncement, and the only purpose and effect of this bill is to assert that we can organize and have that kind of court in Canada. If there are hon. members, lawyers or laymen, who doubt that the Canadian nation can provide the kind of court that will be worthy of the respect of the nation, they should oppose this bill. But those of us who

feel that this nation can and should at this time provide the kind of great national institution that will be able to perform the important function of determining, whenever there is any clash of interest, on which side is the right and on which side is the wrong, will I believe support the move that is now made to have that kind of court created and to have it function here in Canada.

There seems to be a suggestion that it would be something extraordinary to talk of any kind of amendment that could affect the constitutional organization of the central power. But hon. members know that from the origin of the act the provincial legislatures have had that right, as expressed in subsection 1 of section 92 of the act:

> In each province the legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated; that is to say,—
>
> 1. The amendment from time to time, notwithstanding anything in this act, of the constitution of the province, except as regards the office of lieutenant governor.

From time to time modifications have been made in provincial constitutions by those who had the authority and were concerned about them, and no one else was consulted or had to be consulted. What is forecast in the speech from the throne is that there will be an application to the parliament at Westminster to say that such amendments to the Canadian constitution as do not affect the jurisdiction of the provinces, or the rights or privileges secured to the provinces, or the minority rights I referred to previously, can be made here in this parliament instead of being made in the parliament at Westminster on motions or addresses adopted by this parliament. That is the only purpose and effect of the measure forecast in the speech from the throne. But that measure would leave to the courts the responsibility and the burden of deciding what is within provincial jurisdiction or constitutes a provincial right and what is of concern only to the federal authority and their decisions will be binding as they have been in the past.

As to the resolution adopted by the Canadian Bar Association, I think it is worthy of great respect because I believe that all those who attend such a meeting, as do those who attend meetings of other professional bodies, attempt to act objectively and to give their fellow citizens the benefit of the best kind of opinion and advice they can tender. I think perhaps the most important provision of this resolution is that when the appeal to the privy council is abolished, provision should be made that the court consist of nine judges; and there are various organizational provisions that are contained in the legislation now submitted to this house. But subparagraph (g) of the resolution reads as follows:

> That the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee.

That is something with which I entirely agree. I think it is a part of the system of the administration of justice in British countries that the decisions are regarded as binding upon themselves and upon all courts of lower jurisdiction, until they are modified or set aside by legislative action. I think that forms part of the duties which a lawyer promoted to the bench promises on his oath to carry out. On his oath he promises to apply the law until such time, if any, as a legislature interferes with it. I would imagine that Canadian judges, sworn to apply and uphold the law, would be as faithful to their oaths of office as are hon. gentlemen called to sit as members of the judicial committee of the privy council in London. I believe that to be the case. If I did not, I would be opposed to this bill. But because I believe it to be the case, I have as firm confidence in a judicial body set up and operated in Canada and composed of my fellow Canadian citizens as I would have in a similar body set up and operating in any other country in the world.

Some suggestion has been made that constitutional cases should not go to the court of last resort. Why? It has been suggested that there should not be political controversy around the decisions of the courts. There should not be political controversies around the decisions of a court of last resort because such controversies would be quite futile unless, as might happen in some cases, they are directed to the obtaining of a legislative amendment of what has been declared by the judgment to be the existing law. But there is no other way to get a judicial pronouncement—and that is what is wanted in cases of dispute—than to have it made by a court of justice.

When our constitution was enacted, it was provided in express terms by section 96 of the British North America Act that:

> The governor general shall appoint the judges of the superior, district, and county courts in each province, except those of the courts of probate in Nova Scotia and New Brunswick.

Then section 101 provides:

> The parliament of Canada may, notwithstanding anything in this act, from time to time, provide for the constitution, maintenance, and organization of a general court of appeal for Canada.

That system has been operating for something over eighty years. I do not think there is any country in the world in which there is greater respect for the courts of justice,

and greater reason for respect, than here in Canada. I would hope that state of affairs would continue. I would hope that the courts of Canada, whether exercising first, intermediate or final jurisdiction, would continue to deserve and to have the respect which the courts of justice in Canada have had since the first day of confederation. If the leader of the opposition (Mr. Drew) were sitting on this side of the house I do not think he would feel that he could, in justice to future generations of Canadians, abandon that part of the responsibility placed by the British North America Act on the governor in council acting for the general Canadian public. I do not think he would accept the responsibility of substituting for the system provided for by the constitution, and which has operated in so eminently satisfactory a manner, some other system that might be regarded as choosing arbitrators with an umpire to decide constitutional questions.

The hon. gentleman and I have had some experience in practice at the bar. We know that in these arbitrations the arbitrator selected by a party generally feels he is in duty bound to find for his party, and that he would be unfaithful to his party if he did otherwise. Courts of justice have to be strictly objective and cannot regard themselves as the arbitrators of any party, but as the authority to decide between contending parties. That is the only sort of judicial body that can have the responsibility that has been exercised and discharged by the privy council.

There were times when there was a conflict of interest between a colony or a dominion and the home authorities, as they used to be called. The gentlemen who had to determine where the right lay were the gentlemen appointed by His Majesty the King in his capacity as King of the United Kingdom. I do not think it ever occurred to anyone that because they were appointed by His Majesty they would not observe the requirements of their oaths of office. Now, the situation will be identical here. I believe it will be desirable to have this, the most responsible and respected office in the public service of Canada, in its judicial branch, and I also believe that the gentlemen who will have the responsibility of discharging the functions of that court will discharge that responsibility to the best of their ability, conscious of their obligation to carry out the oaths they will have taken.

I believe that is the only question before us at this time. Notwithstanding the great respect I have for all of those before whom I ever appeared in the judicial committee of the privy council, I believe it is possible for us to find and develop in this country as great jurists as they happen to be. I know of the high regard in which one of our Canadian jurists, who participated from time to time in the deliberations of that body, was held by his colleagues in the privy council. To my mind, that is a demonstration of the fact that the ability and integrity required can be produced in our own country.

The Canadian Bar Association has suggested that there should be sufficient time before the statute is enacted to permit the public to give consideration, both as to the question whether there should be abolition of appeals and as to the effect which the abolition may have upon provincial and minority rights. There has been consideration over a long period. During the last election campaign there was consideration by the electorate. It was the announced policy of the party it was my honour to lead to abolish appeals to the privy council. I may be mistaken, but I take it that we received from the electorate of Canada a mandate to carry out that policy.

The bar association is concerned also about the effect this action may have on provincial and minority rights. Quite frankly, I am unable to see that it could have any effect upon provincial or minority rights. It is the substitution of one body of men for another body of men to pronounce upon conflicts which may arise in connection with provincial or minority rights. I cannot see how it could have any effect unless one takes the view that the body of men we intend to substitute are not as reliable as the body of men for whom they are being substituted. I am of the opinion that the body of men we intend to substitute will not be inferior in ability, in integrity or in learning to the body of men for whom they are substituted.

It seems to have been the opinion of many editorial writers throughout the country that the method we have suggested of providing for amendments to the constitution does provide a way of breaking the deadlock which has existed for a long time. We will refer in general terms to those things which are allocated to the central authority. We will not attempt to define what they are, but when we come to deal with any particular one that we believe is among that class of subjects, if anyone feels that is not so our conduct can be challenged before the courts. We shall have to abide by the decision the courts render. It might be more convenient to have all possibility of conflict in that regard removed, but in the past many attempts have been made to remove all possibility of conflict and they have not been successful. Because we have not been able to eliminate the possibility of conflict, let us not say we can do nothing. We will get a system here which will work.

I believe it will be approached in good faith by all concerned. If, perchance, it should be approached by the federal authorities in any particular instance in a manner that the provincial authorities of any province felt was unwarranted, then the courts could be called upon to say whether or not it was unwarranted. If it is found to be unwarranted, there will be no power to deal with it here. If it is found that the apprehension of the provinces was not well founded, then the federal jurisdiction will be confirmed. When the system has been in operation for even a short time, I believe my fellow members of the Canadian Bar will feel we have added something to that family to which we feel we belong, that family of persons connected with the administration of the law in this nation.

We lawyers feel a special concern about the courts. It is my belief that we shall find we have added something of substantial value to the profession of law in leaving to Canadian lawyers, elevated in due course to the high office of His Majesty's judges of his Supreme Court of Canada, the responsibility for final decision on Canadian cases.

Mr. M. J. Coldwell (Rosetown-Biggar): During the years that I have been a member of the House of Commons, there have been discussions of matters similar to the subject which has been under consideration this afternoon. On every occasion the debates have been of a very high order. Those of us who are not lawyers have followed them with keen interest and have learned a great deal, not only about the judiciary of our own country but about its constitution and the application of that constitution both provincially and federally. The speeches which have been made on this occasion by the Minister of Justice (Mr. Garson), the Leader of the Opposition (Mr. Drew), and the Prime Minister (Mr. St. Laurent), have been of a very high order, and have given both this house and the country a great deal of information, and elucidated many of the arguments pro and con in relation to this important matter of appeals to the privy council.

Of course, the bill before us now is not new to those of us who have been in the house for some time. This bill is similar in terms to that which was introduced by the Minister of Justice last January. It is similar to a bill which was introduced in two sessions of the last parliament by the then hon. member for Kindersley, Mr. Jaenicke, K.C., who brought his bill before the house in a very able manner. I think everyone who was here appreciated what he did in that regard. While the fortunes of the election have removed him from the house, nevertheless, some of us remember the contribution that he made. Incidentally, in discussing this today I wish to say that to some extent at least I am relying upon the research work which he did in connection with this matter.

No matter what one's particular views are, one is always a little sorry when old traditions are broken and old ways to some extent set aside. One does not have to be of a conservative nature to feel that. When I see Mr. Speaker enter the chamber, or when I hear the Gentleman Usher of the Black Rod knock on the door seeking admission, or when I see the mace lifted and placed on the table or removed from it, I am reminded that these gestures go deep down into our history and are a part of our traditions, of our parliamentary institution, and of our race. But the world moves forward and we have to cope with new conditions in new ways.

The privy council is one of those very interesting institutions which seem to have arisen without any conscious direction in the long history of our parliament and of our judiciary. William the Norman, who became King of England, ruled the Channel islands, and a method had to be found for him, as such, to deal with legal matters that arose in another part of his domain. From this through the years there gradually developed appeals to a committee of the king's privy council.

In volume 1 of the Dominion Law Reports of 1947 hon. members can read, as I have read with a great deal of interest, the judgment delivered by the judicial committee of the privy council by Lord Jowitt, the Lord Chancellor, on the appeal taken to the privy council on this parliament's right to deal with this matter. It was opposed by some provinces, supported by other provinces, and initiated by the government of Canada. On page 814 his lordship made two very important pronouncements which confirmed the view often expressed by members in this house who supported the idea of abolition of appeals to the privy council.

Speaking of this party, I may say that in our initial manifesto, adopted in Regina in July 1933, we included the suggestion that appeals to the privy council should be abolished. In his pronouncement at pages 814 and 815 Lord Jowitt refers to the changed circumstances which resulted from the passage of the Statute of Westminster, the spirit of which, he concluded, must confer the widest possible power on the Canadian parliament. Let me quote what Lord Jowitt said in that judgment:

> It is in fact a prime element in the self-government of the dominion that it should be able to secure through its own courts of justice that the law should be one and the same for all its citizens.

He went on:

> This result is attainable only if section 101 of the British North America Act now authorizes the establishment of a court with final and exclusive appellate jurisdiction.

As a layman it seems to me that that simply means that there could be no restriction on legislation adopted by a fully sovereign state, such as Canada now is, having of course, as the Prime Minister (Mr. St. Laurent) and the Leader of the Opposition (Mr. Drew) have pointed out this afternoon, regard to the rights of the provinces which are set out in the British North America Act. As the Prime Minister pointed out this afternoon, in section 92 of the British North America Act the rights of the provinces are set out. With the judgment of the privy council on the question initiated by Canada before us, surely there can be no question as to the right of this parliament to pass the legislation which has been moved for second reading by the Minister of Justice.

Over the years I have listened, as I have already said, to long constitutional arguments in this house on the question whether we could or could not deal with this matter. As I remember, eminent lawyers including Hon. C. H. Cahan who, I believe, occupied the very seat from which the leader of the opposition spoke today, Mr. Justice Thorson of the Exchequer Court of Canada, then the member for Selkirk, and of course the late Right Hon. Ernest Lapointe discussed the question at some length. It seems to me that with the judgment now before us the topic then under discussion is no longer necessary.

A moment ago I referred to Mr. Jaenicke's contributions. The other day I looked up what he had to say in certain particulars. At page 2948 of *Hansard* of May 9, 1947, he said that there can be no argument that the abolition of appeals to the privy council would take away the age-old prerogative of the king of hearing appeals of his subjects.

There can be no argument that that is being done. He correctly stated that His Majesty never hears appeals personally but depends on his judges. He then went on to say:

> In making the Supreme Court of Canada the final court of appeal we simply substitute His Majesty's Canadian judges as the final arbiters upon any grievances brought before him by his subjects in Canada.

It seems to me that that is the whole point of this legislation at the present time; that we make our own courts, our own judiciary, an arm of our government, the sole, the final arbiters of any matter that a citizen or a province wishes to be dealt with by a court.

There is a very interesting book that I would recommend to hon. members who have not seen it, particularly if they are new members. I suggest that they get a copy of it and study it in relation to these matters and the rights, privileges and powers of our federal parliament. It is a book written by Mr. Maurice Ollivier, one of the outstanding legal advisers of this parliament. It is entitled "Problems of Canadian Sovereignty". Mr. Ollivier has a very interesting quotation along the same lines as that which I was giving a moment ago. It is a quotation from Lord Haldane. He quotes him as follows:

> The prerogative of the crown is a vague expression . . . Since Lord Coke vindicated the powers of parliament in the days of James I, it has been clear that the sovereign can only administer justice in courts recognized by parliament, and that he cannot interfere with the judges who preside in these courts.

And later on, in the same book, Mr. Ollivier, at page 345, points out that if the judgment of the privy council is merely an order in council passed on the advice of a group of imperial advisers, to give effect to the report of the judicial committee of the privy council, it is high time that the right of appeal to a United Kingdom committee should be abolished. And the king, in his capacity as King of Canada, should act on the advice of his Canadian ministers. For, as stated in the report of the imperial conference of 1926, it is the right of the government of each dominion to advise the crown in all matters relating to its own affairs.

If we adopt this bill—and I have no doubt parliament will adopt it, because I can see no purpose in the amendment moved by the leader of the opposition except, of course, to kill the measure during this session of parliament—what we are actually doing, it seems to me, is to take for Canada the attributes of sovereignty which a self-governing nation should and must assume. Surely it does not break any valuable link with the commonwealth of nations. Indeed, in my opinion it removes what perhaps might become, and in some instances in the past has become, a somewhat fruitful cause of friction and of discontent.

Nor can I see that it jeopardizes in any particular the rights of Canadians, or their privileges as free citizens of this country. Surely one of the rights and privileges of free citizenship is the right of self-government; and to my mind this measure is a step in the direction of self-government for the Canadian people.

In support of my statement a moment ago, that this might at times become a cause of friction, let me quote the late Mr. Cahan in that memorable speech to which I listened in the House of Commons, which I am sure those of us who were then here will not

forget, and which some of us have from time to time read. His speech was delivered in April, 1939, and in part he said:

> The more free the people of Canada are from the officious intervention in our domestic affairs by the government of the United Kingdom, the more readily will our people assume and fulfil the duties and responsibilities which are implied in our continued membership in the British commonwealth.

This was said, may I observe, by a leading member of the Conservative party in the House of Commons. I may be wrong, but I believe that the Hon. C. H. Cahan was the only member of the house at that time who had had personal contact and acquaintance with many of the fathers of confederation. There may have been others who knew one or two of them, but Mr. Cahan had known many.

The privy council up to now has had the power to declare ultra vires laws passed by this parliament. That being so, since it has that power, it is an integral part of the government of Canada. That is to say, it is a judicial arm of this country. Its composition and its procedure, however, are entirely beyond the control of Canada and of Canadians. And so long as these appeals remain, the nationhood of this country is restricted and denied.

As Chief Justice the Right Hon. Sir Lyman Duff said, and I believe it was to him the Prime Minister (Mr. St. Laurent) was referring this afternoon, though he did not name him:

> No legislature in Canada has, of course, anything to say about the constitution of the judicial committee or about its organization. Provision for all such matters is, as I have said, made by the legislature of the United Kingdom, and orders in council pursuant to authority derived therefrom.

In other words, as I have said, Canada is not fully self-governing so long as appeals to the privy council remain.

Sometimes, as the Prime Minister noted this afternoon, a Canadian judge has sat during deliberations of the privy council, but only at its invitation and not as of right. This, however, is seldom done. Indeed, when it is done it makes no real difference because the majority of the judges are non-Canadians who, as their judgments have shown, know very little about Canada and less about a federal system of government. That, of course, is quite natural; I do not criticize them for that, because they are familiar with a unitary form of government in which parliament is supreme, and where there is no division of powers between a central government and the provinces.

Let me say that Canada's action in abolishing appeals to the privy council is not without some, though perhaps incomplete, precedent within our commonwealth. The constitution of Australia, I believe, limits the scope of such appeals. And while the right remains in New Zealand and South Africa they very seldom use it because, like the United Kingdom, they are unitary nations with one government for all the country.

Then there is this consideration which has been brought before the House of Commons and emphasized particularly by the late Mr. Cahan and by Mr. J. T. Thorson in years gone by. I refer to results of appeals to the privy council. I believe what they said in the house regarding this matter is also the consensus among our own constitutional authorities, namely that our federal system as visualized by the fathers of confederation has been seriously impaired and the powers of this parliament greatly reduced by the decisions of the privy council from time to time.

When we deal with the constitutional matter implicit in proposals in the speech from the throne I have no doubt some of these aspects will be discussed. A reading of the debates leading up to confederation, and of the acts of this parliament after confederation, indicates that Sir John A. Macdonald and others among the fathers of confederation expected that the powers of this parliament might at least remain as they were intended to be. Sir John A. Macdonald expected that they might even be expanded, as time went by. So even if some people believe—and I do not think there are any in this House of Commons who do—that the privy council might be more trustworthy than our supreme court, that would not justify our refusal to accept the responsibility of judicial self-government. Indeed, until we accept all the obligations of political maturity we cannot in my opinion expect to develop truly responsible citizenship in our country. I must say that I find it rather difficult to follow or to understand the position of some provinces that are opposing this parliament's right to deal with the abolition of appeals to the privy council. I find it very difficult to understand why they should oppose a bill of this description.

In preparation for this debate and to get the background, I was reading the other day the interesting debates which took place at the time our supreme court was set up in 1875. In those days we did not have a *Hansard* as we have today, but very complete reports were kept in the third person of what the various people had to say. I noticed particularly the opinion of members of this house at that time from the province of Quebec. For example, Mr. Taschereau doubted the right to discontinue appeals to the privy council under the legislation that

then existed, but he had this to say, and I quote from page 739 of the debates of 1875:

> True, the appeal to the privy council had often proved fatal to suitors who had succeeded in all their courts, and sometimes by the unanimous voice of all their judges in Lower Canada.
>
> True, some of the decisions of the privy council had been rendered contrary to the plainest principles of their civil law, but this evil had been and is, a necessary and inevitable one.

Why did he say that it was necessary and inevitable? He pointed out that the system of law in that province was vastly different in some respects from the laws of England which they were called upon to interpret. Mr. Langlois said, as reported on page 932, that there was a growing feeling in the province of Quebec in favour of abolishing appeals to the privy council and that one factor was the expense involved which militated against a poor litigant.

How true that is. That is one reason why we have so warmly supported the abolition of appeals to the privy council. Only people of wealth or corporations and provinces with great resources can carry through an appeal to the privy council. In other words, the poor litigant is denied recourse to the final court of appeal under the procedure we have had in our country for some generations. Then Mr. Laflamme is reported on page 935 as follows:

> As to the allegation that the court would be perfectly useless so far as the province of Quebec was concerned, its peculiar institutions were undoubtedly threatened with danger when cases were decided by a tribunal most of whom were ignorant of the laws of Lower Canada, and he would oppose the bill if he were not convinced that its passage would have the effect of abolishing appeals to the privy council.

I could go on to quote a number of statements along the same line. One interesting record in connection with that debate is that Mr. Irving moved on third reading for the abolition of appeals to the privy council. A vote was taken and his motion was carried by people who were close to confederation, not after consultation with the provinces, by 112 to 40. A vast majority of the members of the house who were close to confederation, who understood all the considerations behind the constitutional agreements that had been achieved, were in favour, not only of setting up a supreme court but of making it the final court and abolishing appeals to the privy council. Subsequently the decision was changed.

But nations move slowly. I could not quite follow the leader of the opposition this afternoon when he said that there was no reason for haste, that we should move more slowly. As the records of parliament show, this matter has been discussed for the last 75 years. I hope that we do not move as slowly in improving our social and economic conditions in the next 75 years as we have been in bringing a measure of this description before the House of Commons for decision in 1949.

We support this proposal. If a vote is taken on the amendment moved by the leader of the opposition, of course we shall vote against it. We believe the time has arrived when this measure should be adopted. The constitutional discussions foreshadowed in the speech from the throne must go on, but it seems to me that this is a matter separate from those discussions. This bill gives a court already set up the power to decide, to the ultimate end, cases arising in Canada.

Because we believe that this is the proper step, recognized by the law lords of the judicial committee of the privy council themselves as the right thing for Canada to do, we support it. Since I have been a member of parliament I have followed the British *Hansard*, on the several occasions when at Canada's request constitutional changes have been made, to see what happens in the British house. I find that they are moved and carried with a few perfunctory remarks.

When a Conservative member of the British house was visiting Canada a few years ago I asked him what the House of Commons in Great Britain would do in regard to any constitutional change that Canada might ask for and he said, "We would pass it without any question and largely without any discussion." Consequently I think the time has surely arrived when we should take unto ourselves the attributes of nationhood, and one of those attributes is that we should have our own judiciary interpret our own laws and our own constitution. That is why we should have our own Canadian court of last resort.

Because we are of this opinion we shall support the second reading of this bill.

Mr. Solon E. Low (Peace River): Mr. Speaker, I do not wish to delay the house because I think the subject before us has been discussed quite thoroughly, but I feel sure the Minister of Justice (Mr. Garson) and the Prime Minister (Mr. St. Laurent) would welcome a statement as to our position on this important measure. The government proposes by Bill No. 2 to abolish appeals to the judicial committee of the privy council. I notice that the bill provides that the judgments of the Supreme Court of Canada as it will be constituted shall be final and conclusive in civil, criminal and constitutional cases.

The whole question of privy council appeal has been under consideration and study more or less intensively for a good many

years. Therefore it seems to me that we must make a final decision in the matter some time. Perhaps now is just as good a time as any to do the job. Surely it cannot be argued that Canada has not reached the age of responsibility. If we have not, then I doubt very much whether we ever shall.

That being the case, I feel that the bill should not be hoisted, but that a final decision should be reached by logical reasoning after debate, and after every argument that can be adduced before this assembly has been brought forward and considered.

Many good reasons can be cited to support the contention that appeals from the Canadian courts to the judicial committee of the privy council should be abolished now. Indeed, I think the Minister of Justice (Mr. Garson) listed a number of them in his speech when he introduced the bill. I cannot find myself in disagreement with any that he put before the house. I can think of no really important reasons why the step should not be taken at least within a matter of the next few months. If the passage of Bill No. 2 becomes the first step towards the early adoption of a suitable procedure for constitutional amendment within Canada, a procedure that is acceptable to the provinces as well as to the dominion, then we of the Social Credit party welcome the bill.

A clear-cut formula for constitutional amendment would certainly remove a great deal of confusion as well as a number of causes of friction between the federal and provincial governments. Nevertheless, I believe that the bill could have been introduced by the government at a more propitious time, a time better calculated to inspire confidence and good will between the various governments of the country. I do not mean to imply by that statement that I believe the bill should be hoisted, as suggested in the amendment.

The Prime Minister (Mr. St. Laurent) has already consulted the premiers of the various provinces as to a dominion-provincial conference. That conference is to consider ways and means of deciding on a procedure for constitutional amendment, and for the allocation of responsibilities between the provincial and dominion governments. That being the case, it seems to me that the provinces would have felt much more confident had the conference been held first, the procedure arrived at, and then the bill brought in. Then they certainly would have had something definite and tangible to take the place of what exists now.

That is my only criticism. Perhaps the Minister of Justice or the Prime Minister may have something to say at a later time which will relieve the fears of at least some of the provinces that they might possibly be left without a definite procedure in which they could have complete confidence, a procedure for the amendment of the constitution when that becomes necessary as the result of dispute on any point. Apart from that, I cannot think of any cogent reason why the bill should not pass now, and I propose to support it.

Mr. T. L. Church (Broadview): Mr. Speaker, may I say that if I had known one of my colleagues was going away I would have given way to him very gladly, but I did not know anything about it. I may say that a private bill, somewhat similar, was introduced in the sessions of the house in the past four years, and I occupied some time of the house discussing the matter because I did not believe in the principle of the bill.

As to the bill now before the house, the procedure on second reading of a bill, according to the British and Canadian practice, is laid down in Beauchesne's Parliamentary Rules and Forms, page 228, section 656, which reads as follows:

> The second reading of a bill is that stage when it is proper to enter into a discussion and propose a motion relative to the principle of the measure.

Section 657 states:

> It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill, or expressing opinions as to any circumstances connected with its introduction, or prosecution; or otherwise opposed to its progress; or seeking further information in relation to the bill by committees...

And so on. Therefore under the rules of this house and under British practice the proper place to discuss the question of the principle of a bill is on second reading. The following is stated in the thirteenth edition of May's Parliamentary Practice, at page 709:

> The second reading of a private bill corresponds with the same stage in other bills, and in agreeing to it the house affirms the general principle, or expediency, of the measure.

I believe that is our practice, and that if we approve of the principle we automatically approve of the bill. There are two classes of appeals to the privy council. They may be described as (a) appeals by statutory right, and (b) appeals as a matter of grace.

It is most important to remember this and to find the key to the solution of this great national problem. For that reason, on the first reading I asked the Minister of Justice (Mr. Garson) to explain (a) what are statutory rights and (b) what are appeals as a matter of grace, and to clarify it to the house, because the proposed amendments to the Supreme Court Act do not even mention it.

It is the first time since I have been in the house that a minister of the crown has not answered a civil and proper question, and has refused to give me information about a bill.

I am not surprised at the present minister bringing in a bill such as the one before the house. It is altogether different from the various private bills which have been introduced in the past. One of them was brought in for four years in a row by the former member for Kindersley, Mr. Jaenicke. He was a member of the C.C.F. The present bill goes much further than his, which was a private bill introduced by a private member. The government is now attempting to do something about this matter. I may say that I look upon the bill as very largely a political bill. The minister has even failed to say who is asking for it.

I once described the House of Commons, when I first entered it, as a gentlemen's social club. That is what it is intended to be. As individual members we cannot all think alike, because we are different by temperament and training, environment and education, and in many other ways. I am strongly opposed to the bill. These are my own honest views after many years' study of the problem. If you look at the matter more closely and examine the context of the bill you will see that it is different from the bills introduced on the same subject by private members. This bill is mentioned in the speech from the throne with a great flourish of trumpets. They indicate what they are going to do. I look on all these matters as secondary. They want to propose a change in the office of the governor general. We have one of the greatest soldiers of all times as our governor general now. He is the greatest soldier in the history of the world. They want a change in the flag, in the text of the anthem, in the name of Dominion day; they want to end appeals to the privy council, and to do many similar things.

In my opinion those matters are only secondary when people have not houses in which to live, and should be allowed to stand over. At its meeting at Calgary the Canadian Bar Association asked that this bill should stand over. The bar is against it. In Ontario and Quebec the bill is not worth the paper it is written on at the present time, because a contract was made at confederation and it cannot be overriden here. As I say, these matters are only secondary; they are not primary.

Let us now look at this bill that was forecast in the speech from the throne and see what it actually means. What are appeals by statutory right? My answer is that they are based on some statute, either provincial or dominion. In Ontario and Quebec there is the right of appeal on certain matters. This bill extinguishes that right. In the case of Ontario and Quebec this right is based on a contract made at confederation and before. In the other provinces the situation is somewhat the same, but it may vary in the maritimes.

I should like to quote what the Hon. Howard Ferguson, who was then premier of Ontario, said when he dealt with this matter. This is in a textbook on the Statute of Westminster. I think it is one of the most learned textbooks I have ever read. It is written by a great teacher in England, a great student and a great professor. At page 183 of his book, "The Statute of Westminster and Dominion Status", Mr. K. C. Wheare, the author, says:

> The report of the O.D.L. conference—

He is referring to a committee that met here when my former leader was Prime Minister.

> —was unanimously approved by the Canadian House of Commons in May, 1930 . . . At the general election of July, 1930, the Conservative party, under the leadership of Mr. R. B. Bennett, was returned to power. Before Mr. Bennett left for the imperial conference of 1930 he received from the premier of Ontario, Mr. Howard Ferguson, also a Conservative, a memorandum in which the terms of the proposed statute were severely examined.

In a footnote the author states:

> The following statement of the course of events is based upon Mr. Bennett's survey of negotiations in his speech, introducing the resolution requesting the passing of the statute, in the Canadian House of Commons in 1931.

Then at the bottom of page 183 the quotation continues:

> In particular the two clauses quoted above were criticised as vague and inconclusive, and it was asserted "that no restatement of the procedure for amending the constitution of Canada can be accepted by the province of Ontario that does not fully and frankly acknowledge the right of all the provinces to be consulted and to become parties to the decision arrived at." Quebec and all the other provinces proved to be in agreement with these views. In consequence it was necessary for the Canadian delegation at the imperial conference of 1930 to ask that, in effect, the whole question of the repeal of the Colonial Laws Validity Act, in its application to Canada, should be left in suspense until the views of the provinces on the matter could be obtained. The reference to the Dominion of Canada and to the provinces of Canada was therefore deleted from the proposed clause, and it appeared in the schedule drawn up by the conference with a specific reference to Australia and New Zealand only. It was stated that "a section dealing exclusively with the Canadian position will be inserted after the representations of the provinces have received consideration."

What happened in New Zealand and in Australia? This so-called Statute of Westminster was one of the most mischievous statutes I think we have ever had in the history of the British empire because it caused a divided situation. Hon. members will notice

that clauses 6 to 13 of the Statute of Westminster were the reason that Australia and New Zealand had nothing to do with it; and they refused to do so until recently when they thought that, owing to the dollar and pound situation, they might consent to it. Those two dominions of Australia and New Zealand were excepted by clauses 6 to 13 of the Statute of Westminster, this statute which has caused so much trouble in the dominions and has divided the empire accordingly.

If we look at this bill more closely, what do we find? The right of appeal has existed in Canada since 1791, under the Constitutional Act by which we adopted so much of British law as was applicable or adapted to our circumstances. The bill does not allow an appeal in every case but only in a few. It is limited. The exact text and provisions of the statute and the restrictions on it are secured. Section 92 of the British North America Act, subsection 13, dealing with property and civil rights in the provinces, deals with matters of local import, and section 91 deals with federal rights. Provincial rights may or may not be protected accordingly.

First we have what is known as the Toronto Electric Commissioners *v.* Snider case. I myself was on that case. In the lower courts in Canada they had been beaten, both on injunction and on appeal to the court of appeal. At the assizes they were beaten, and they appealed to the privy council and won it over there. As I say, and as I have contended all along, in the Metropolitan case on Yonge street, where the Metropolitan railway had the right to run freight cars right down Yonge street from lake Simcoe, and then sought to make a connection with the C.P.R. and get running rights, had they been successful it would have destroyed municipal institutions and we would never have been able to take over the street railway. We appealed to the privy council in those two cases and the privy council gave a favourable decision. In my opinion the privy council is one court where the litigant can get substantial justice. I do not say that justice cannot be obtained in all of the courts, but decisions of the lower courts are appealable, and until the final decision is given you have not a pronouncement on the law as it is contained in the textbooks.

I have now and always have had every confidence in the Canadian courts because I myself am a member of the bar. I have always had a great respect and admiration for the way in which the magistrates, the county court judges, the high court judges and the others carry out their exceedingly laborious and difficult duties in Canada.

I may say that the bill that is proposed does not mention or consider some of these things at all. Most of the provinces' appeals to the privy council are by special leave. This class of appeal is in the exercise of the king's prerogative right. The bill now proposed by the minister is unlike some private bills that preceded it; it goes much further. The Supreme Court Act is now and always has been as contained in the Revised Statutes of Canada, 1927, chapter 35, section 54. If that stands by itself, judgments established by it are final and conclusive.

When the Supreme Court Act was passed in 1875, it would have been competent for the parliament of Canada to provide for a statutory right of appeal to the privy council as it long had existed in the two old provinces of Canada, Ontario and Quebec, and I think it is also in the maritimes act. But in the act creating the Supreme Court of Canada the federal parliament not only omitted to include any statutory right of appeal from the decisions of that court, but also in express terms negatived that right of appeal. Some years ago, in other attempts at abolition of appeals to the privy council, all were not unanimous and the situation was only partly covered by limiting appeals to cases where the Supreme Court of Canada had not been unanimous. But none of these methods of appeal ever affected the prerogative right to appeal as a matter of grace. Notwithstanding this bill now before the house and the other federal bills of private members, none of them can sanction the taking away, by any statute whatever, of the prerogative right of the sovereign king in appeals of grace. Is it not a blessing we have had that language? Any British subject, whether in Britain, in the dominions or in any other place in the empire, has a right to petition His Majesty on the throne, and it will be a sorry day for this country when that right is taken away. The prerogative rights of the king are matters of empire policy, and no parliament in Britain or the empire can lessen or take away that right of grace.

We have some examples of this in Scripture, especially in the story about the Apostle St. Paul. The Acts of the Apostles was written by St. Luke. In that book we have the story of how the Apostle Paul appealed first to Governor Festus. He said, "I appeal unto Caesar." Then he was brought before King Agrippa, and the king was almost persuaded to be a Christian. Finally, when the Apostle Paul said he appealed to Caesar, something happened and he was sent to Rome.

Statutory appeals were provided for those who had a claim against either the federal or the provincial government, and this right of appeal to the privy council is now being revoked. The king cannot be brought into court without his consent, but his consent is

given through the attorney general of Canada or the attorney general of the province. These appeals are to the foot of the throne. It is merely an application to the attorney general, who represents the public, that the king give his consent to the claim being tried. The attorney general of Canada has many of these applications and usually passes them as a matter of form. Sir Allen Aylesworth said that during the time he was Minister of Justice he had forty-five such applications.

If this bill passes it can only affect certain classes of federal cases, but it cannot affect provincial cases since the provinces of Ontario and Quebec claim provincial consent is necessary. The bill before the house only seeks to restrict that prerogative; it cannot take away the right to present a petition as a matter of grace. This bill seeks to make the prerogative right a matter of statute, but appeals of grace are the result of government by monarchy.

The fact that the king was head of the state led to the doctrine that "the king is the source and fountain of justice". This was not always so under the Norman and early Plantagenet kings, during which time there were no judges and no courts except the court of the king. As the work of the king increased he delegated the administration of justice to others; thus law courts were constituted. In matters of grace, the king is still the source and fountain of justice. These are simply appeals to the king as head of the state.

There is no difference in principle between appeals from British courts and appeals from dominion courts. In both cases the appeal is to the House of Lords because London is the central place in the empire. These appeals go to the judicial committee of the privy council. Some of the members of this body are not members of the House of Lords, as Sir Charles Fitzpatrick and Sir William Mulock were, and Sir Lyman Duff now is. Sir Lyman is a member of the judicial committee of the privy council—as the two others I have mentioned were—because he was a member of the imperial privy council.

Three important ministers of justice opposed this principle. The first was the minister of justice who took part in the Bering Sea arbitration, Sir Allen Aylesworth. He made a statement on this subject in an important debate in the Senate on June 18, 1936, which can be found at page 552 of the Senate debates, if members wish to see it. The next gentleman to whom I wish to refer is Sir Charles Fitzpatrick, who was Chief Justice of the Supreme Court of Canada, Lieutenant Governor of Quebec, and a very great lawyer. He was one of those retained to defend Louis Riel in Regina in 1885. As one of the great lawyers of that day, he was opposed to the abolition of appeals to the privy council. Mr. Conant, one-time attorney general of Ontario, was of the same opinion.

May I quote a few words from Sir Charles Fitzpatrick:

> In no part of the King's dominions has greater service been rendered by the judicial committee than in Canada, particularly since confederation.
>
> Since 1867, the judicial committee has been called upon in scores of cases to trace out the line of demarcation between federal and provincial jurisdiction, and it must be truthfully said that the result has been eminently satisfactory. Removed, as the majority of judges are, from all local strifes, desirous as they are to distribute the most impartial justice, it is not surprising that the right of appeal to the King in his privy council is one of the privileges most highly prized by the people of the dominion. I do not mean to say that there has not been exception taken to the freedom with which appeals may be carried to the privy council in ordinary civil matters, but whatever view may obtain in other parts of the empire, so far as Canada is concerned, I think I may safely say that, amongst lawyers and judges competent to speak on the subject, there is but one opinion, that where constitutional questions are concerned an appeal to the judicial committee must always be retained.
>
> I am offering that opinion to balance to some extent the opposite opinions which have been offered. I rather think the judicial committee of the privy council has rendered a real service to Canada. Their decisions have been one judgment, no dissenting judgments.

At one time Attorney General Conant, one of the most respected attorneys general, directed public attention to the contentious question of abolishing appeals to the privy council. At that time the proposal had been introduced by the Hon. C. H. Cahan. Then, as always, opinion was found to be strongly divided, and the bill was held over when the minister of justice suggested that it was too important a matter for summary decision.

It is important, vitally important, to the future of Canada and the commonwealth. The considered opinion of Ontario's attorney general should be a valuable guide to the House of Commons. His opinion is based on both domestic and imperial considerations, none of which can or should be left out of unbiased deliberation. He said that he had the greatest respect for the appeal court and all other Canadian courts, but was inclined to the view that in matters involving constitutional questions, particularly in issues between the dominion and a province, or provinces, the right of appeal to the privy council should be continued.

This, emphatically, is not the view of some who are, perhaps, quite as competent to judge.

Mr. Speaker: Order.

Mr. Pouliot: I would move the adjournment of the debate.

Mr. Fournier (Hull): Mr. Speaker, is it understood that the member for Broadview has adjourned the debate?

Mr. Knowles: No, the member for Temiscouata.

Mr. Speaker: Do I understand the member for Broadview has not completed his remarks?

Mr. Church: I have not finished.

Mr. Speaker: I understood the member for Broadview was still speaking when I interrupted him to say it was six o'clock.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

SUPPLY

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

DEPARTMENT OF AGRICULTURE

Experimental farms services—
14. Central experimental farm, $1,330,560.

Mr. Knowles: The other evening when this item was before the committee the hon. member for Winnipeg North asked the minister certain questions about the experimental farm here at Ottawa. The questions had to do with the additional acreage purchased in recent years and the price paid for it. Has the minister the answer to these questions?

Right Hon. J. G. Gardiner (Minister of Agriculture): I shall have the answers as soon as my officials are here with them. They were all prepared. I left them to be brought in. Probably the officials did not think we would get to this item quite so soon. I suggest that we let this item stand for the time being and return to it later.

Item stands.

15. Branch farms and stations and illustration stations, $3,819,403.

Mr. Gardiner: I suggest that this item stand also.

Item stands.

Production service—health of animals—
17. Administration of Animal Contagious Diseases Act, and Meat and Canned Foods Act, $2,863,297.

Mr. Graydon: Mr. Chairman, I am sorry I have to rise again for about the third time in three sessions to bring to the minister's attention a matter which is of paramount importance to those who are directly affected. Perhaps I should wait until item 18 is called, but I shall continue on item 17 and what I have to say will apply to item 18.

In connection with inspection for tuberculosis in certain areas in Ontario, and it applies as well to a certain case in Nova Scotia, in former years the question of compensation for those reactors which went down under the T.B. test was a matter of acute concern because there were two special cases: one, that of a man near Stayner, by the name of McIntyre, and the other, that of a man in Nova Scotia whose name I am not able to recall at the moment. In the McIntyre case, which I raised in the house in previous sessions and do not hesitate to raise again because of the principle involved, the herd had been tested for T.B. for years before. In 1946, if my memory serves me correctly—I did not bring my notes down with me, but the minister will know of it because it has been brought up before—a further test was made, and of 44 cattle in his herd 43 went down. At that particular time the vaccine or the serum had been changed. Those who are acquainted with veterinary science and are more familiar with it than I am will bear me out when I say that, when there is a change in the vaccine, very often strange reactions occur in the test and sometimes herds which are normally regarded as completely free from tuberculosis go down and are taken to the abattoirs. The farmers lose their first-class, registered producing stock and they are sold at the slaughter price. It is true there is compensation; but, as the minister knows, it does not come anywhere near meeting the loss that the farmer sustains in losing as large a number as that.

When the vaccine was changed these cattle all reacted. As the minister knows, a check is always made in the abattoirs to see whether or not there are signs of T.B. in the meat which comes from the slaughtered reactors. If my memory serves me correctly, in this case only one of the 43 cattle was found at the abattoir to show any sign whatever of tuberculosis. One of them showed some signs of having had pneumonia at one time, but that fell somewhat short of tuberculosis. Naturally the farmer was much concerned about it. It practically put him out of business. Time after time urgent representations were made to the government but nothing whatever was done. He has had to suffer because of that. In addition, when I brought the matter up in the house two or three years ago for the first time a man in Nova Scotia wrote to me saying that he had had a similar experience. It is not widespread. If it were, perhaps the government might conceivably be somewhat influenced by the question of financial outlay which would be involved. So far as I know, there are very few cases of that kind. Because there are

few cases it constitutes discrimination against those farmers who are affected.

I know it is difficult to prove that it was the vaccine, but nevertheless a change of vaccine was made at that time. It seems to me that if the government are to change the vaccine, which means the very basis of the test of the cattle, and that change of vaccine means that the farmer's herd goes down when normally it would not react unfavourably, the government and not the individual farmer himself ought to bear the difference in the loss.

As I say, I regret having to raise the question again because I had hoped that before now some adjustment would have been made in connection with it. I have not been in touch with either of the parties for some considerable time but my understanding is that the government has not done anything about it. I would be glad to hear the minister say that something has been done. I do hope he will take into consideration the representations which I have now made. Neither of these people happened to be in my riding so I hope the minister will understand that I am putting forward something that is not of personal interest but rather a matter of general and public concern. For that reason I hope that the department will give consideration to it.

Mr. Blair: Mr. Chairman, last spring I referred to an item somewhat similar to that which has just been mentioned by the hon. member for Peel. I do not think the department is satisfied yet as to what caused that outbreak. Those cattle were tested about eleven months before, but the whole herd went down.

I raised certain points at that time. I have inquired into the matter deeply, and I felt at that time and I still feel that the feeding of dairy ration might have had something to do with it. However, I shall ask a question about that later. In the county of Lanark we are proud of our herds. It seems to me, however, that the better they get in developing blood lines, or perhaps it may be through inbreeding, the less resistance they seem to have to brucellosis, and particularly to tuberculosis.

Grade herds are passing all right. But every once in a while one of these good herds is seriously affected with tuberculosis, which wipes out the whole herd. Many of these herds are built from the ground up and represent the lifework of farmers. The compensation given does not begin to cover the loss suffered by the farmers. If a cow is worth a thousand dollars and the farmer receives the ordinary compensation from the government it does not begin to cover his loss incurred in building up a herd of that type.

The three chief diseases affecting those cattle are mastoiditis, tuberculosis and brucellosis—and I have talked about brucellosis in this chamber for the last four years. These diseases make the raising of purebred stock a hazardous occupation, so far as a farmer's finances are concerned.

I would appeal to the minister to have something done to help out these farmers. I saw an excellent propaganda film last spring dealing with mastoiditis. This film was put out by the government, and I am wondering if the Department of Agriculture could not make some arrangement whereby farmers might obtain some of the sulpha drugs at drug stores simply by signing for them. They could be given instructions how to give early treatment to these cattle. They could be instructed in the use of penicillin.

The situation in regard to brucellosis or Bang's disease has not changed. For four years I have advocated that something further be done by way of vaccination to help these people. Tuberculosis is another hazard—and a big one when we find farmers whose purebred herds are wiped out. There is no redress, except the minor compensation given by the Department of Agriculture. I realize the department could not possibly pay a thousand dollars for every cow destroyed but I am wondering if it could foster some form of insurance. It appears that the better the strains of cattle we get the more diminished is the immunity against these diseases.

As I have said, the grade cattle seem to get along all right, but when the blood line is developed, and possibly because of some inbreeding, it becomes apparent that the cattle are more susceptible to these diseases. I leave these suggestions with the minister. Something has to be done; otherwise it would not pay a young man to spend his life developing a herd of cattle. I realize that the government could not be expected to pay the true value of these cattle, but something could be done to help out the farmers so that they would get higher compensation for animals destroyed.

Mr. Gardiner: As the hon. member for Peel pointed out, after he got under way, he was really discussing item 18, rather than item 17. We have not yet called item 18, and have had no discussion on item 17. Item 16 has been passed, and I am wondering if we might revert to item 14 so that we may discuss items 14 and 15. I have the infor-

mation here now, and if there is nothing further to be said on item 17 I would suggest that we go to item 14.

Item stands.

14. Central experimental farm, $1,330,560.

Mr. Gardiner: The other evening the hon. member for Winnipeg North asked a question with regard to the Ottawa central experimental farm, and questions were also asked by the hon. member for Victoria-Carleton. The first question was as to the size of the central experimental farm at Ottawa. I am informed that the size of the farm is 1194·4 acres, made up in the following way: The old original farm, 468 acres; the Caldwell farm of 300 acres, purchased some time ago and added to it; the Scott farm of 65 acres; and the Booth farm of 361·4 acres, making a total of 1194·4 acres.

Then, with respect to the land added to the central farm in the last two or three years, I would point out that the Caldwell farm of 300 acres was added in 1947 at a total cost of $75,000, averaging $250 per acre. In 1949 the Scott farm of 65 acres was added at a total cost of $56,000, at an average of $861.50 per acre. I might add that this last purchase comprises a piece of land lying close to the city between the experimental farm and Dow's lake. On that land we have located some of the equipment necessary to naval wireless control, affecting radio and different matters of that kind. In order to prevent buildings being placed upon that land in the immediate vicinity of this equipment, if the equipment was going to remain there, it was found necessary to have that land secure against such buildings being placed there. We had the land rented for experimental farm purposes, and on the suggestion of the department concerned we purchased it, rather than have it subject to that kind of development at this time. We were satisfied to pay that price per acre because it is estimated that if that equipment is placed elsewhere at some future time this property can be easily sold. The purchase was made of farm lands for experimental farm purposes only because of the necessity of having it under government control for the time being.

Mr. Knowles: What is the figure for the Booth farm?

Mr. Gardiner: The average cost per acre for the two parcels of land I have mentioned is approximately $365, as compared with the decision handed down by the exchequer court in connection with the expropriation of the Booth farm in 1929. That is an old matter which had to do with a decision made before I came to the department, and I believe before most hon. members were in the house. They disagreed on price, and it was expropriated in the legal manner. The 361.4 acres cost an average of $838 per acre, which is about the same as or a little less than the price we paid for this special land during the last year. The total price paid for all that land was $302,500.

A question asked by the hon. member for Victoria-Carleton had to do with the operating costs of the Fredericton experimental station. The total cost was $163,765.62, broken down as follows:

Main farm	$107,965.69
Construction of warehouse and cold storage	44,490.00
Completion of three cottages	6,000.00
Construction of reservoir	499.95
Overhauling obsolete electrical wiring	4,810.00

Those are the figures for 1948-49.

Mr. Stewart (Winnipeg North): Is there any reason for continuing this farm so close to the city, except that it adds to the amenities of the neighbourhood?

Mr. Gardiner: There have been discussions from time to time of the advisability of retaining the farm in such close proximity to the city of Ottawa. It is argued by some that the property could be converted to other uses and thereby bring a considerable return to the government, and the farm could be moved farther away. I presume that some time that may be done, but the argument up to date has always been that it is a real asset to the city, to the eastern part of Canada, and to a very considerable extent to the people of Canada as a whole. When people, particularly from agricultural areas, come to the capital they can go out and see the latest experiments that are being carried on at a place close to the city. If it were ten or fifteen miles away many people would not go near it or would not be able to find the opportunity to go. Most people who come from the outlying sections of Canada look upon the farm as being one of the sights that they want to see while in Ottawa and I have no doubt that many of them carry away beneficial ideas in connection with agriculture that otherwise they would not get.

Mr. Fair: Regardless of any profit or benefit that might accrue from the sale of the central experimental farm, I submit that it is the duty of the government in the interests of Canadian agriculture not only to see that that farm is kept there but that the experiments are extended. There are many people who do not give sufficient credit to the agricultural industry of this country. I say again that if we have an agricultural industry that is prosperous, then all Canada is prosperous. The only way to make that industry prosperous is to continue the experiments that make for progress in the production of a wide range of agricultural products.

During the past years that I have been in the house our scrap with the government at all times has been to have more money spent on experimental work. My own feelings and the feelings of those who sent me here—I believe I can speak for the farming industry generally—is that the work of the central experimental farm should be kept up at the highest degree of perfection.

Mr. Graydon: I fancy that every hon. member of the committee will agree with much of what has been said with respect to the experimental farm. I should like to make a suggestion to the minister and to the chairman of the agriculture committee which may be set up, that a visit to the central experimental farm should be made an annual event so that hon. members could examine the splendid work being done there. I remember that in previous years we used to go out to the farm, and I think we all received benefit from that visit.

When the agriculture committee is set up I think it might hold a meeting out there once in a while, because they have not been so good at that in the past. The members of that committee could then make a thorough study of the experiments being carried on.

Mr. Gardiner: As the hon. member for Peel has said, prior to the war the members of the agriculture committee and any other hon. members who cared to go along were taken out to the farm and shown the developments there. I am sure that that can be arranged again if it is the wish of the committee and other hon. members. I shall take it up with the deputy minister and see if arrangements cannot be made to that end.

A question was asked the other night by the hon. member for Calgary East with regard to the capital cost of the science service laboratory at Lethbridge. The figures are as follows:

1946-47	$ 20,619.45
1947-48	112,255.54
1948-49	148,436.79
Total	$281,311.78

As I said the other day, the official opening of the finally completed plant is taking place today.

Mr. Harkness: What work is being carried on at that plant in Lethbridge?

Mr. Gardiner: It deals mainly with the diseases of cattle. Previously the laboratory was located some distance from Lethbridge and from our farm. This laboratory was put up in the early days at the request of the ranchers to investigate certain diseases from which cattle were suffering. The year before last it was decided that in order to make the results more readily available to a greater number of people this plant should be moved closer to the experimental farm and the town of Lethbridge, and in addition that the work should be extended somewhat. Therefore, the expenditures I have referred to have been made. In addition, some work is being carried on in connection with plant diseases.

Mr. Harkness: The expenditures which the minister has given are those for 1946-49 inclusive, but yesterday I asked what part of the $517,000 to be appropriated under the item we were dealing with for new construction was to be apportioned to that particular project. We have not yet obtained that information.

Mr. Gardiner: I understand the question now put to be: What part of the total amount of over $500,000 spent last year was spent at Lethbridge? That is the last figure which I read. The amount spent in 1948-49 was $148,436.79.

Mr. Harkness: These estimates are for 1949-50. They are not for 1948-49.

Mr. Gardiner: Of course that money was in the estimates for this year. It is being voted just now. I would have to make further inquiries in order to make sure how much of this money came out of that vote. On second thought, none of it could come out of that vote.

Mr. Harkness: It could not.

Mr. Gardiner: The amount of money is in the estimates of 1949-50, and possibly the amount which has been spent on this project up to date will not yet appear in our accounts because much of it could not be paid. The money is not yet voted. During the last session we made provision for expenditures which would carry us over six months, but I am not certain that the expenditure from those amounts which were to carry us over six months would cover all of the costs of the work which would be done there, or whether some of it still has to be voted. I think it is pretty well assured that the estimates as brought down will be passed, but there is just a possibility that on work of that kind six months' supply would cover it, because all of these buildings are pretty well completed in the summertime. We are getting close to the end of the summer now, and we still have a short part of the six months' period to be covered. It is just possible that the total amount which was set aside for that building has been spent.

Mr. Harkness: Surely this procedure is a little loose as far as financing is concerned. To begin with, the minister said that the item for 1948-49, which he gave me as $148,436.79, was included in this amount, and

then he decided that it could not be. Now he says he does not know how much of that is spent or how much is not spent. But surely when the estimate was made there must have been a certain definite amount estimated for this particular project. Actually that is what I asked for in the first place three days ago.

Mr. Gardiner: There was $117,000 set aside for that particular work, but the fact that the plant is just being opened today would suggest to me that as to any ordinary transactions in connection with it the contractors may not be all paid. I have not the figures here as to what is paid, but I would expect they are not all paid. Until that comes in we do not know what the exact figure is, but the estimate is $117,000.

Mr. Harkness: Was that the estimate to complete this building or was it partly for the experimental work which is to be carried on there?

Mr. Gardiner: That was the estimate for the building itself for this year. I am not sure whether that estimate will completely cover it, or whether it more than covers it, but it is $117,000.

Mr. Harkness: What will be the total cost of the building?

Mr. Gardiner: It will be what I have already given you plus whatever we spend this year.

Mr. Harkness: As I said before, that is somewhat loose as far as financing is concerned. Taking what the minister has already given me, the figures come roughly to $270,000 plus $117,000. Is that the cost of the building?

Mr. Gardiner: $281,000 plus possibly $117,000.

Mr. Hansell: I do not know whether I can throw any light on this particular item, but I will say that evidently a part of the money that was to be appropriated for this new venture at the Lethbridge experimental farm, or adjacent to it, was for the housing of a staff. The minister can correct me if I am not right. Additional staff was put there and they had nowhere to live. Some construction was started in order to house that staff and suddenly it stopped. The consensus among some who were there was, "We were only voted so much supply and we suppose the money has run out and building has stopped." The minister will not recall it, but I wrote a letter to him. It was during the election campaign and he was busy. I found time to write him a letter. Perhaps I was not as busy as he was. I got a reply from one of his officials—it may have been his private secretary—to the effect that that was not the reason that any building was stopped, and as far as they knew the building program was still going ahead. I did not pursue the matter any further, but from that it would appear to me that perhaps the limited supply we voted for six months had run out. There was something mysterious about the stopping of that work.

Mr. Gardiner: The hon. member is absolutely correct. These plants are not all made up of one building. There are also there some buildings which are necessary to the operation of the plant. The whole plant consists of the laboratory plus six suites in two buildings. I presume that is for a staff. Then there are four barns and two garages. Of course, the barns will be for the housing of the stock that is being used in connection with the laboratory study of diseases. It is these buildings plus the other that necessitate the whole expenditure. I have no information before me as to why some contractor may have stopped the building of any one of those buildings and been held up for a time. It may have been on account of lack of materials; it may have been any of a dozen and one different reasons; but my understanding is that the plant is so nearly complete now that they thought this was a good day to have the official opening, and they are having the official opening today.

Mr. Knowles: I wonder if I might ask a question about the item we are supposed to be discussing, namely, item 14, the central experimental farm here at Ottawa. The last questions seem to have run over into the next item.

In the session earlier this year I asked the minister some questions with regard to employees at the central experimental farm. My questions are found in *Hansard* at pages 377 and 378. The date those questions were answered was February 9, 1949. One of my questions was:

> What are the minimum and maximum wages per hour paid to labourers at the central experimental farm, Ottawa?

The answer to that question was:

> Forty-five to seventy cents per hour.

Those are pretty low rates of wage under today's conditions.

Mr. Smith (Calgary West): With or without board?

Mr. Knowles: I understand without board. These are people who live in Ottawa. My next question had to do with the wages paid to blacksmiths, carpenters, painters and other artisans at the central experimental farm. The answer is a long list. I will not read all of the figures, but here are some of them:

Farm mechanic, 69 cents per hour; teamster, 66 cents per hour; truck driver, 67 cents per hour; and night watchman, 59 cents per hour. I then asked what the hours of work per week were for these various people, and the figures vary. Some of the artisans are on a 44-hour week. The blacksmiths work 50 hours the year round.

Mr. Smith (Calgary West): Fifty hours per year?

Mr. Knowles: Fifty hours a week the year round in some cases and 55 hours—

Mr. Smith (Calgary West): On Sunday.

Mr. Knowles: I find that my friend the hon. member for Calgary West is even more helpful now that we are a little farther apart in the chamber than he was last session. May I try that again?

Mr. Smith (Calgary West): You had better.

Mr. Knowles: Some of the artisans work 44 hours per week the year round but the unskilled labourers, according to these answers, work 50 hours per week in the winter and 55 hours per week in the summer. The other questions that I asked had to do with the arrangements for superannuation or retirement fund, and the information given was a bit puzzling. It indicated that the amount deducted was in some cases 5½ per cent and in others 6 per cent, and that these deductions were based on a certain number of hours per year, whether or not the employees worked those hours. The complaint made to me was that in some cases the employees had to pay a deduction from their wages for hours that they did not work.

Mr. Smith (Calgary West): That is a wonderful scheme, is it not, if you can deduct for some hours that you did not work?

Mr. Knowles: The figures indicate that in some cases unskilled labourers who were working 50 or 55 hours per week are deducted, for purposes of superannuation, at the rate of 60 hours per week. I do not wonder that the hon. member for Calgary West gets confused over the situation. Can the minister say whether there has been any improvement in respect to these matters since these answers were made on February 9 of this year? If perchance he can give a specific answer showing that improvements have been made, I should be glad if he would do so.

Mr. Gardiner: I understand that there has been an increase of 5 cents an hour since that time. I would have to go back over the entire list in order to make certain that it applies to all the persons that have been spoken of in what the hon. member has said.

[Mr. Knowles.]

Mr. Knowles: Pardon me for interrupting, but the answer that was placed on *Hansard* in reply to my question on February 9 of this year, which was placed there under the name of the minister's parliamentary assistant, concludes with this sentence:

> The above wage rates include a flat increase of 5 cents per hour, which is being made effective as from October 1, 1948.

Has there been another five-cent-an-hour increase since then? One five-cent-an-hour increase was included in the figures I have given.

Mr. Gardiner: The only five cent increase that has actually been applied up to now is the one that my hon. friend speaks of. There is another five cents that is involved, but I am not in a position to make an announcement about it one way or another at the moment. General consideration is now being given to the whole question as applied to all such employees in all the services in the government. It is not my place to make any announcement with regard to it, and I do not intend to undertake to do so tonight. I would say that the question is asked just with regard to the central experimental farm at Ottawa. But we have allowed both these items to stand because generally our discussion runs out of one into the other. For a long time, at all experimental farms, we have been paying for that kind of labour what are known as prevailing rates. That is, we pay in accordance with the payments which are being made in that locality. Our farms are in many different localities across Canada and in many different types of locality. Out in farming communities where the experimental farm is surrounded by operations being carried on by other farmers we have sometimes had complaints if we boosted wages in those areas by paying more than the prevailing rates in those areas for similar work. The same thing is true in another way in connection with operations when we are close to cities or towns. We must make our wages more or less in accordance with the prevailing rates in those localities. That is something which has been discussed widely with labour organizations and others and has been fairly well agreed upon. I should not like simply to state any particular rate as prevailing on all of our experimental farms. I think probably the highest rates that are being paid in Canada are being paid on the Ottawa farm, but I would not be too sure of that without going into all the records and finding out what the rates are, say, at the Agassiz farm in British Columbia. There may be some reason why wages there are higher than they are at some other place. But one would have to search into the con-

ditions surrounding these farms in order to give a general statement with regard to all of them. But as to the farm here, the rates which are paid upon these farms are related to what is being paid for similar work by those who are engaged in similar employment in the locality right around here. That is, a carpenter is paid something that has some relationship to what is being paid in the city.

Mr. Knowles: I should like to complete the picture. The minister suggested quite correctly that I had quoted some of the lower rates and not the higher ones. May I give the two highest figures that were included in the information given last February. A carpenter is listed as getting 96 cents an hour and a foreman carpenter gets the top rate of $1.03 an hour. I do not know what carpenters' rates are in this city, but I know that they are higher than that in the city from which I come, and I imagine they are higher than that here in Ottawa. If the minister is going to say that this is the prevailing rate, I would ask him to bear in mind the fact that these people live in Ottawa, which he will agree is a rather expensive city to live in. I hope serious consideration is being given to adjusting these matters.

Mr. Gardiner: Of course there is a reason why a carpenter might be paid more in the city of Winnipeg than these men are being paid, and there is a reason why a carpenter who is employed in the city here might get more, if you just figure the days he works and the payment he gets per day. These men are continuously employed. As to the carpenter in Winnipeg, on most of the jobs I have seen conducted in that city there are many days in the wintertime when he is not employed and certainly not fully employed. On days when it is 40 below zero or more there is not much outside work being done in that area. In the work we have there, these carpenters are available. We have inside work available for them and they are carrying on right through the year. Any work that has to be done on the inside is done in the wintertime. So their wages might not be as great as those some groups might be drawing under union pay in Winnipeg for a shorter period of time.

Mr. Knowles: That is hardly a satisfactory answer.

Mr. Harkness: I am still not at all satisfied about these buildings at Lethbridge. The minister has now told us that they cost in the neighbourhood of $400,000. I do not for a minute think they cost that much. Quite frankly, I think the minister is mixed up in his figures and is a little bit confused on the subject.

Mr. Gardiner: As a matter of fact, I think the minister does not know any more about it than does the hon. member who is speaking. I have the figures which are given to me by the persons who are presumed to know, and I can only give the hon. member the answers they give me.

Mr. Harkness: If the minister will give us a breakdown of those figures, I think we shall find that some of the money he indicated is for the building is actually for the cost of carrying on experimental work and so on. I do not think that the cost of the building was the $400,000 approximately which the minister gave. If it cost that much, I certainly have a few more questions to ask about it, but I do not think it did.

Mr. Gardiner: My information is that it is all for capital expenditures in connection with the building. It might not be all for the building—

Mr. Harkness: It may be for equipment, for I do not think it is for the building.

Mr. Gardiner: It does include equipment; it will include plumbing and a lot of other things. It may include digging some ditches in order to get the water to where the plumbing is. It will not necessarily be just for the building itself, but everything associated with the building. There will be the building of roads through the grounds and everything else associated with it.

Mr. Harkness: Mr. Chairman, we are still going around in circles. I still have not the information for which I asked the day before yesterday. I wonder whether the minister could bring in a breakdown of the building costs so that we shall know where we stand. After all, $400,000 is not "hay", as we say in my part of the country.

Mr. Gardiner: What the hon. gentleman asked for was the cost of this plant. He got the cost of the plant. If he wants something different, then he can put a question on the order paper indicating exactly what he wants to know and I will give him some figures within forty-eight hours. The figures are given to him exactly as he asked for them: he asked for the cost of that plant and he has the cost of the plant. In spite of what he says, I say it is the cost of the plant. If he has any way of proving it is not, then we shall have to get him some other figure.

Mr. Harkness: The Minister of Agriculture is now suggesting a most unusual procedure so far as this house is concerned; that is, that instead of getting the information on the estimates item by item, I should put a question on the order paper. If there is any time during the course of this session when

I should be able to get the information for which I asked, it is when the estimates for this particular item are before us. The suggestion by the minister that I should put a question on the order paper is, I think, the most ridiculous and most contemptuous of parliament that I have heard him make. He should be ashamed to make such a suggestion.

Furthermore, Mr. Chairman, I asked this question the day before yesterday. The minister has had forty-eight hours in which to get this information. He comes here and, practically speaking, by the manner in which he has been talking and the lack of information we have received, has admitted he does not know what the answer is. He has failed to give the information and then he tells me to put the question on the order paper. Before this item is passed I think the minister should give a detailed breakdown of the expenditures without any further delay.

Mr. Gardiner: Mr. Chairman, I am accustomed to hearing that kind of speech made by the hon. member for Calgary East. He has been making them now for about four or five years. He never comes here with any information to back up any statement he makes, but merely makes general statements.

Mr. Harkness: Look at *Hansard* for the last four years, and you will see something different.

Mr. Gardiner: The question asked by the hon. member for Calgary East was as to the amount spent on the buildings for scientific services at Lethbridge, Alberta. The answer to that question, the same answer he would get if he were to put it on the order paper, is given in the figures I have supplied to him. This is the money actually expended. After he gets those figures, he says "Well, what was spent this year?" I informed him of our estimate of what it will cost for the work done this year, which amounts to $117,000 in addition to those figures. At the moment no one can tell him to the exact cent what that cost is going to be. The estimated cost is $117,000.

Now, that is the total cost of these buildings, and that is the information for which he asked. What I am going to say now is that, even if I were to say I will let the item stand and bring it down again, I have no reason to believe the figure would be any different from the figure he has. If the hon. member can stand up in his place in this house and, on his responsibility as a member, say that those are not the figures, then I am quite prepared to try to obtain what he has proven to be the figures. Those are the figures as they are given to me by the only people in Canada, of whom I am aware, who have the figures.

[Mr. Harkness.]

Mr. Harkness: Mr. Chairman, I asked for the cost of these experimental buildings. As a result of a question asked a few moments ago by the member for Macleod, the minister admitted that part of the cost was for barns, for suites in which people live, for roads and drains and various other things along that line. I believe we should have a detailed breakdown.

Item agreed to.

Experimental farms service—

15. Branch farms and stations and illustration stations, $3,819,403.

Mr. Browne (St. John's West): I believe it was the minister himself who said he was coming back to this item 15 about which I wanted to ask a question. Is the minister in a position at this time to tell us whether any of this money has been spent in Newfoundland this summer or whether he proposes to spend any this year?

Mr. Gardiner: There is nothing provided in this vote for expenditure in Newfoundland. There is, however, a supplementary which comes up later. At the moment I am not prepared to say whether there is anything in that for agriculture. There may not be, but when we are dealing with the supplementary I shall be in a position to state whether there is or not. I have written to the premier and I discussed the matter with him when he was here a few days ago. He has been requested to advise me as to the needs of the new province of Newfoundland as soon as he returns to St. John's. I have suggested that any requests for expenditures will be investigated in order to put the province in relationship with the other provinces and put us in a position to proceed with that just as early as possible.

Mr. McLure: With regard to vote 15, is it the intention of the Department of Agriculture to eliminate these illustration farms throughout the province of Prince Edward Island? My reason for mentioning this is that there was a very fine illustration farm at South Rustico in Queens county. I understand that this is being closed. Probably the department knows something about it. I might say it was an excellent station run by Mr. John C. Clark. It was as important to the farmers in that locality as the central station, because a great deal of information was received from this farm. I should like to know what is being spent on it and whether it is being closed, because there was not enough money being spent on that station.

Mr. Gardiner: To answer the first part of the question, there has been no change in policy which would result in the closing of

any experimental station in Prince Edward Island. My memory is that there are ten in that province. The general practice is to continue those experimental stations at any particular location so long as it is necessary to conduct the investigations and distribute the information which they were set up to do.

It does happen from time to time that that work is completed in that locality and the station may be closed, or the work may be taken up by another station some distance away. The thing which most commonly happens is that the individual owning the land does not wish to have it carried on any longer or the land changes hands and the individual who purchases the land is not anxious to continue or is not the type of person who likes to do that sort of experimental work, which necessitates people being on his land from time to time to receive instructions. Then we have to change the location. These are the chief reasons for changing at any time, but there has been no change whatsoever in policy.

Mr. McLure: I just wish to say that this station was not closed because the man was incapable or anything like that. I understand that he could not afford to continue on the small amount he was receiving from the department. I know that his work as an experimental station farmer has been excellent, and the community was very proud of him and of the experimental station or farm that he had there.

Mr. Browne (St. John's West): I hold in my hand a copy of the supplementary estimates. There are only three items in them, none of which refers to Newfoundland. Newfoundland came into confederation on April 1, which is six months ago. The minister has now informed the committee that he does not know whether anything has been spent down there or whether anything is to be spent there.

Mr. Gardiner: I might say for my hon. friend's information that these supplementaries are expenditures of the last year. The supplementaries for the coming period are not yet in. They are not yet passed.

Mr. Browne (St. John's West): It says:

To initiate the extension of normal dominion government services to the province of Newfoundland for the fiscal year ending March 31, 1950.

Mr. Gardiner: That is the year we are half through. No expenditures have been put in so far as the estimates which are before us now are concerned, and so far as I can remember there are none in for agriculture for Newfoundland. That is what I said at the beginning, but we have made inquiries down there. As a matter of fact, when the bringing in of the new province was under discussion I raised that question myself, and my understanding is that up to that time claims in connection with it had not been clarified, and therefore were not included. I imagine that will be corrected. As a matter of fact, I have asked to have it corrected just as soon as possible.

Mr. Browne (St. John's West): May I point out that there is in the cabinet a learned man from Newfoundland who should be able to give the minister any information he requires about that province. I should like to know if he would be good enough to inform me whether it is a fact that in the past six months not one cent of the vote for agriculture has been spent in Newfoundland.

Mr. Gardiner: As a matter of fact, the vote dealing with compensation for animals that have been destroyed is not divided up by provinces. It is one vote for doing a job, and the law with regard to that now applies to Newfoundland the same as to any other province, and any payments which are required to be made there will be made. The same thing is true with regard to the amounts for freight which are paid on grain which is being shipped to the eastern part of Canada from the west. I understand that up to date there is $250,000 in that item alone. Anything that is provided by legislation or legalized by legislation must be done in the new province just the same as in the other provinces.

Mr. Browne (St. John's West): Perhaps the minister was not expecting these questions tonight. I wonder whether he can give any further information, or is there any other information?

Mr. Lennard: The item had better stand.

Mr. Stick: I take it that when we deal with the supplementary estimates the information will be forthcoming. We are not dealing with the supplementaries tonight.

Mr. Gardiner: I now have the supplementary estimates for the fiscal year ending March 31, 1950, and they read:

AGRICULTURE

Science service—

666. Plant protection—further amount required, $9,325.

Demobilization and reconversion—

667. Freight assistance on western feed grains—further amount required, $250,000.

668. Agricultural lime assistance—further amount required, $25,000.

I understand that these further amounts are required because these expenditures are to be made in Newfoundland. In the general estimates we do not divide it up by provinces, and we do not divide it up in the

supplementaries either. The fact is that our department is making a request for more money.

Some hon. Members: Yes, you do.

Mr. Gardiner: You can get the particulars of the amounts which have been expended from year to year in the different provinces, but we vote a lump sum of money, as I expect we shall do in a few minutes under the item that was being discussed just before we reverted to this one, and we shall go on making expenditures in Newfoundland on that basis. What I am concerned about in this item is that I have not got, whatever others may have, and I do not think the department has, full information on where experimental stations ought to be established in the province of Newfoundland in accordance with the same principles we have applied to the other provinces. I can assure the hon. member that in due course we shall have them established there.

Mr. George: I should like to ask a question on item 15. It has to do with the rehabilitation of the marshlands. In view of the work which has been done experimentally at Nappan, will the minister consider the establishment of illustration stations in New Brunswick and Nova Scotia to investigate the soil fertility of the marshlands?

Mr. Gardiner: I presume the questions which were handed to me are the questions which are in the hon. member's mind at the moment.

Mr. George: No, sir. My question has to do with the establishment of illustration stations rather than marsh rehabilitation. I was wondering whether the government had considered the advisability of establishing illustration stations throughout New Brunswick and Nova Scotia in connection with the dike lands.

Mr. Gardiner: There are 14 illustration stations in New Brunswick and 14 in Nova Scotia, similar to those which are established in the other provinces. The answer I have to the direct question which was asked is that there is no money taken out of the vote which was set aside for the reconditioning of the marshlands for the setting up of these stations. I presume that if we do set them up there they will be an enlargement of the principle that we have now for general purposes. If I were to examine the map carefully I might find that some of the stations we already have are in these areas, perhaps not on the marshlands. The only one that I am certain is there on the marshlands is an addition that was made to the farm at Nappan. I have been there two or three times myself. I mentioned here the other night the excellent work which has been done there in demonstrating that three times as much alfalfa or three times as much hay of any kind can be grown on these lands when they are properly cared for and treated as can be grown when they are allowed to go along in the state in which much of them has been in recent years.

Mr. Cruickshank: Can the minister tell me how many illustration stations there are in British Columbia?

Mr. Gardiner: Seventeen.

Mr. Black (Cumberland): I am in agreement with the suggestion made by the hon. member for Westmorland. The advisability, I would say the necessity, of establishing certain areas, under the control of the experimental farm detached from the present experimental farm, on areas of marshlands which are being reclaimed and drained was placed before the committee and before the minister last year. It was suggested that different blocks of 100 acres, or more, which could now be purchased at a nominal price should be acquired. I agree with the hon. member for Westmorland that it is most essential to give encouragement and instruction to the farmers who in recent years have suffered so much in these areas. Under the policy of reclamation, different qualities of marshlands will be reclaimed by the government. Certain areas should be taken over and set aside for pasture, and certain areas for a high quality of timothy and clover hay, such as they now produce at the experimental farm at Nappan, where they produce three tons per acre.

The land now produces only a small tonnage per acre. Not only that, but the hay produced is of a most inferior quality. The hay produced at the Nappan farm is of high quality, while the growth on the land being reclaimed is an inferior grade not worth half as much per ton as that produced at the experimental farm.

I am in complete agreement with what has been said by my colleague from Westmorland county, in which constituency there is the greatest acreage of marshlands to be found anywhere in eastern Canada. It is very essential that the government take over such areas as quickly as possible and bring them to the highest state of production in order to demonstrate to the private marsh owners and the people generally the benefits under proper treatment of the land to be reclaimed.

Mr. Herridge: Mr. Chairman, I cannot allow this item to pass without expressing the special appreciation of my farmer constituents for the excellent work done throughout the years by the staff at the experimental

station at Summerland, particularly in connection with the analysis of food products, fungicides and soils, and in the matter of soil conservation and fertilizers. We appreciate the advisory service they have rendered generally to the farming people of my constituency.

While that experimental station renders us a great service it cannot, owing to its location, render us service in every respect, so far as the average farmer is concerned. In the west we have the Summerland experimental station and in the east the Windermere experimental station, both of which operate under conditions somewhat different from ours. Their rainfall is lighter. They operate under drier conditions. Many of my farming constituents have asked me to suggest to the minister that in the Kootenays there is a place for the establishment of an illustration station.

In the Kootenays both climatic and soil conditions vary greatly in short distances. For instance, I happen to own two properties within six miles of each other in the Arrow lakes district. Over a period of forty years the winter temperature of one property has averaged 10 degrees higher than that of the other. This indicates that tests and experiments conducted at Summerland or Windermere cannot always be satisfactorily used in our district. Therefore I would suggest that the minister give consideration to the establishment of an illustration station in the Kootenays. In the first instance it would deal with the proper application of fertilizers to our very different and changing soils. I am of the opinion that a considerable amount of money is wasted by farmers in the wrong application of fertilizers, particularly in certain districts of the constituency I have the honour to represent.

The same would apply to potato varieties, vegetable varieties, seed-growing, and the development of tree fruits. In that connection I would mention, to illustrate my point, that thirty miles south of where I live they can grow satisfactorily the Delicious apple, whereas within thirty miles of that growing area the same apple cannot be produced satisfactorily on a commercial basis.

I therefore urge that the minister give consideration to the establishment of an illustration station in the Kootenay area, which is so different from the other districts covered by the experimental stations in British Columbia. Our conditions are different from those on the coastal area and from those in the dry belt area. Actually we live in a district which comes in between the damp coastal area and the dry belt as exemplified in the Okanagan and in the Invermere districts.

Mr. Jones: I should like to join in the remarks of my colleague from Kootenay West in paying a compliment to the farm at Summerland. In my opinion the work it has done is excellent. They have a splendid staff, and are really doing good work.

May I draw the attention of the minister to a condition arising from the floods adjacent to the farms, where some of the land was lost through erosion. I understand that in the last year some work was done to prevent further flooding, and I would ask the minister how much money, if any, is set aside in this item for the Summerland area, to remove the flood danger which was apparent last year. Is there a special fund, or some other means of raising funds to assist in this work?

Mr. Cruickshank: Mr. Chairman, may I bring to the attention of the minister the fact that in my riding we have the finest experimental farm in Canada, administered by Mr. Harold Hicks, the finest possible superintendent. We appreciate the assistance given to these junior ridings, which are following in our footsteps and copying the Agassiz experimental farm.

Mr. Gardiner: Perhaps I might answer the question of the hon. member for Yale. My understanding is that he was talking about a small diking project on which the government spent a thousand dollars, and the municipality, or those concerned—I am not certain which put up the money—put up a proportionate amount. Each put up an amount proportionate to the amount the government was offering.

Item agreed to.

Production service—

17. Health of animals—Administration of Animal Contagious Diseases Act and Meat and Canned Foods Act, $2,868,297.

Mr. Harris (Danforth): I should like to say a few words with respect to this item which has to do with the administration of the Animal Contagious Diseases Act. During the last two decades we have noticed this item creeping up from a personnel of 100 to 400, and to the present 500. Inasmuch as we are an exporting country, that is all to the good. Over the past few years I have seen those of Australia, those of New Zealand and those of Canada and Canada still has some distance to go before she can reach the uniformity of quality and appearance of the exports of New Zealand. I think perhaps we are on a par with Australia, but there is room for improvement in other directions.

With the amount of exporting that we do and with an inspection staff of close to 500 we ought to improve our position very much and very soon. I think the minister should

try to inculcate into the minds of these 500 personnel that they have other things to do besides draw their breath and their pay. They are supposed to provide inspection services in connection with meats, canned foods and other matters coming under the administration of this particular act. Not only that; a little more encouragement should be given to the little producers instead of leaving everything in the hands of the big three.

You know and I know quite well whom I mean when I talk about the big three. The smaller slaughterers and producers in Canada should be given an opportunity to develop trade under federal inspection, and in this connection I am going to register a complaint on behalf of a small producer. This man handles only some thirty cattle per day, never more than one hundred. His plant contained a lavatory and washroom facilities and there was on duty one inspector, and occasionally two, but he was told that he must install a shower bath for the inspector who was there to watch entrails and the odd piece go through to see whether they were healthy.

I can quite understand that in a large abattoir where they are slaughtering a thousand cattle a day it might be desirable that the inspector should have a shower bath, but where a small producer is handling no more than thirty a day I do not think he should be put to the expense of providing the same facilities. These veterinary inspectors work probably two or three hours a day and yet they must have an individual shower bath.

I examined these premises and found that they had a washroom which was tiled to the height of four feet six inches; there were toilet facilities, and splendid office space was available. But they did not happen to have a shower bath and therefore federal inspection of their products was to be withheld. In April they were given six months in which to provide these facilities, and those six months are about up. This plant employs only thirty or forty men and the manager offered his own bathroom facilities in the office building for the use of the inspector, but, no, they want their own.

I ask the minister and the department to see that the inspection services give reasonable encouragement to smaller producers and exporters who want federal inspection. They should be permitted to get on with their job. They should not be hampered with too many strings and requirements based on an organization made up of 500 personnel, when perhaps only one or two out of that 500 find their vocation for a few hours a day within the confines of a particular federally inspected institution.

These smaller organizations across Canada should not be discouraged. They should not be driven more and more into the hands of the big three. These younger organizations are trying to get established in this particular line of business. To my mind the deputies of the minister are inclined to be a little arbitrary. They are inclined to follow the letter of the law. I am not going to make a charge, but I say that that law has been developed by individuals who have found their job in Ottawa to be that of lobbying all departments of government on behalf of the big three. They have managed to have the regulations worded in such language as to sometimes make it most difficult for the little fellow to comply with them. These regulations emanate from discussions which these lobbyists have with deputies who in turn advise the minister. That is not a charge; that is just a suggestion that we should be a little more careful and a little more considerate of what is known by some people as the little fellow who is trying to get along, the underdog.

Tonight we are voting $3 million for these 500 personnel, when a few years ago they asked for only $1 million. Let them be a little more broadminded and not expect all the facilities that are to be found in the abattoirs of the big three. Those things should not be expected of the small producer who is doing only perhaps one-tenth of the business.

If these 500 personnel are receiving more consideration from the big three than they are from the little fellows the solution might be to alternate their services. Let them spend a few months with the big fellows and a month or two with the little fellows. But they should not demand of these small firms who are struggling to get along that they provide the same facilities furnished by the big three who are doing twenty, thirty, forty or fifty times as much business.

Mr. Cruickshank: While it is desirable that the people of Ontario take a bath, I do not think it should be made compulsory.

Mr. Gardiner: I was just wondering whether I should say anything in reply, but I do not think I should let the last two or three statements go by without anything being said. There are in Canada hundreds of slaughter houses—

Mr. Harris (Danforth): Not under federal inspection.

Mr. Gardiner: —that are operating without any restrictions and over which we have no authority. There may be thousands; I have not counted them, but I know they run into hundreds. The suggestion is made that we interfere with the small plants.

Mr. Harris (Danforth): Mr. Chairman—

Mr. Gardiner: I will get the figures if my hon. friend will permit me. I did not interrupt him when he was speaking. I do not agree with most of what he said. An attempt has been made to create the impression that all of these regulations, and everything having to do with them, are for the benefit of the big three. As I understand it the big three have only about twenty-five plants in Canada. Our inspectors are in 140 plants. In other words, there are 115 plants that belong to people who are much smaller than the big three. We have no inspection in any plant unless that plant is doing either interprovincial or international business, unless they are trading into another province outside the one where the plant is situated, or into another country.

Mr. Harris (Danforth): That is what I am referring to.

Mr. Gardiner: We have inspectors in 140 plants. There are other plants that are pleading with us to put inspectors in them. They say that they want to get into this business too, and we are quite prepared to put inspectors into their plants when they put in the necessary equipment in order to make it possible for us to pass the product that comes out out of the plant as meeting the food laws of the areas into which these products are going. We are not accepting responsibility for saying that we know that all of the food laws associated with the production of food that is to be sent to some other country, or from one province into another province, are being met, unless we have inspectors there. We are not prepared to put inspectors there unless the facilities that are necessary in order to turn out the food as the regulations require are placed in these plants.

I have not heard a great deal of complaint, except what I have heard here, about what is required of those who are meeting the requirements. I have heard some suggestion from others that maybe they ought to be able to have inspection, but when they tell me that they are only killing thirty hogs, or they are only killing thirty cattle, it is obvious that these people are not in the business in a big enough way to be able to stand the expense of putting out the product in the manner which is required if it is going to be shipped into another province or into another country.

If they are only supplying the surrounding community, or supplying areas within their own province, then they are subject to the health laws of that province and to any regulations in connection therewith. As a matter of fact, I sometimes find that what we are being blamed for and accused of is not being done at all under our laws. I had quite a file of correspondence last year with a man living in Guelph about the prosecution of a certain gentleman who was selling meat. When the correspondence started I was under the impression that the man was under our regulations because our inspector had inspected his plant, and I thought he was being prosecuted as a result of those inspections. Finally I got a letter from an ardent supporter in that district, and he said, "Why does the dominion government employ the crown prosecutor appointed by the Ontario government in connection with this case?" Then I twigged there was something wrong somewhere.

Mr. Smith (Calgary West): You would never do that.

Mr. Gardiner: I checked into it and found that our inspector, as is the practice, had been appointed by the Ontario government as their inspector in connection with this particular activity. He had performed inspection work not under our pay at all but under the pay of the Ontario government. He had made his report to the Ontario government, and the prosecution was started from Toronto and not from here.

I only tell you that in order to emphasize what I was saying a moment ago, that all of the regulations and laws that have to do with the operation of these hundreds of plants all over the Dominion of Canada, which are operated to supply meat to local communities or to communities that do not extend outside the province, are regulations of the provinces. I must say that the provinces have good health laws in these matters. They enforce their laws and their regulations just as strenuously as we do.

I wanted to say that in order to clear up the impression that might be given that we insist on everyone operating a plant of this kind doing the things that people are required to do who are shipping outside their own province, either to other provinces or to other parts of the world.

Mr. Fulton: I should like to discuss with the minister a matter which has been taken up with the officials of his department by correspondence. I refer to the question of conducting brucellosis tests. That is a word I am not familiar with, but I understand that it means Bang's disease. That is the description used in the language of the cattlemen. I understand that if any cattle are to be exported to the United States they require this test to be made.

The British Columbia Beef Cattle Producers Association has requested that the tests be carried out at Kamloops instead of at Vancouver, where they have to be carried

out at the present time. The reason for that request is that apparently the veterinarians of the department take samples from the cattle that are to be shipped, and they have to send their samples to the laboratory. That involves sending them by express to Vancouver, transporting them from there to the agricultural department laboratory at the university, making the test, and then sending a letter with the report back to the shipper. In some cases that has involved up to ten days for reasons which, though they have been investigated, are not very easy to understand.

One of the reasons for the extra delay is that apparently they are very complicated tests and the reports involve a large number of figures and serial letters. They used to send out the report by telegram, but it was found that it was too easy to transpose a number or a letter in the process of sending the wire. Therefore that practice has had to be discontinued, and in consequence the reports have had to come by letter. That means there is bound to be some delay in getting the report back.

Furthermore, owing to the fact that it takes some time to get the sample there, apparently in very hot weather or very cold weather some chemical change takes place in the blood in the test tube, and frequently the sample is of no use when it arrives at the laboratory. Then they have to send word to send in another sample. All of this involves a delay of a week or up to ten days, which, in dealing with cattle where markets may be fluctuating daily, is of course likely to prejudice the seller very considerably.

Furthermore, I am told that the United States buyers do not like these delays, and that it has a pretty serious effect on our cattle sales from British Columbia to the United States. The Department of Agriculture maintains several institutions at Kamloops. They have veterinarians in and around there, but the laboratory for doing this test work is in Vancouver. The Department of National Health and Welfare has in Kamloops quite an extensive laboratory which carries on experiments and research with regard to the diseases carried by animals. I am told that the personnel there are qualified to carry out brucellosis tests on cattle. There appears to be some reluctance to have the Department of National Health and Welfare laboratory at Kamloops used for this purpose.

I am also told that, while it would involve some extra work on their part, they could do it with their present staff. I am told that, if they merely had one qualified veterinarian to be there full time and one assistant, the work could be done with no strain at all. Under these circumstances, although the matter has been the subject of considerable correspondence, and various explanations have been given, the cattle growers association feels that the explanations and reasons are not adequate. They would be glad of further consideration, and they hope that eventually the Department of Agriculture will set up accommodation and equipment in Kamloops to carry out brucellosis tests either themselves or else in conjunction with the Department of National Health and Welfare.

[Mr. Fulton.]

Mr. Gardiner: There are special reasons why it is not considered wise to do that at Kamloops. As has been suggested by the hon. member, there is a plant there which is doing work that has to do with human diseases. I understand that one of the important experiments being carried on there has to do with the prevention of the spread of what in the old days was known as bubonic plague, which can be carried by rats. That kind of experimental work is being done there, and it is considered by some inadvisable to have persons going in and out or to have traffic in and out of a place of that kind, a condition which would be necessary if the other work were to be done at that point. That is the position taken by some of our officials who are located there and who are doing that particular work. As my hon. friend knows, in addition to that, the numbers of cattle involved in that area, as compared with some other areas in Canada, are not great. In spite of that fact, I think nearly all of the kind of inspection that is referred to, namely the sending in of blood tests and getting reports back on them, in the prairie area, for example, is done in Lethbridge and Saskatoon. The area involved in miles or distance is much greater than the distance that has been referred to between Kamloops and Vancouver. Then too the number of stock involved is out of all proportion. So there can be some argument to the effect that, apart from the special reasons that they are not doing it, it might be difficult to get a plant established there in any case. In other words, I am not going to say tonight that the only reason why the plant is not there and why the work is not being done there is the special one. We would have to check on what we would be required to do elsewhere if we were going to give the same service all over Canada to the same number of persons, and involving the same number of cattle, and the distance that the samples are now being shipped in other areas as compared with that area. There is good train service between Kamloops and Vancouver and samples can go down on one train and come back on the next. There are many places in Canada where it is not as easy to have the samples

forwarded as it is there. I should not like to have it understood therefore that I am suggesting that, even if the other work were dropped, we might be in a position right away to establish such a plant. But I will give consideration to what the hon. member has said and will have my officials do likewise, and see if there is anything that can be done there.

Mr. Fulton: I am glad of the assurance given, but in answer to the first of the points the minister raised, with regard to the distance from Kamloops to Vancouver and the train service, I should like to say this. If that were the only consideration involved I would entirely agree with him. A large part of the difficulty is in the nature of the area served. Kamloops is roughly the centre of the cattle-producing area of British Columbia. From there to Cariboo, or down from the Cariboo to Vancouver where the samples have to go, it is difficult to send them by rail because they have to go down the P.G.E. to Squamish, by boat to Vancouver, back to the normal mail channels and out to the university. Shipment from the Cariboo to Vancouver is slow and laborious whereas from the Cariboo to Kamloops it is much quicker. So it is not just a question of from Kamloops to Vancouver which is adequately served by mail. That is the first thing.

Then as to the other point, there are other areas on the prairies from which they have to ship samples further. The minister said that if he set up a service in Kamloops it might be a precedent for other areas asking for extra services as well. I think the answer to that suggestion is this. While there are not as many cattle in British Columbia as there are in the prairies, there are very few beef cattle produced in the Vancouver area. The whole beef cattle producing area in the province is roughly centred in Kamloops. If you are going to carry out these tests in British Columbia, it seems to me that Kamloops is logically the place to carry them out, for that reason, and because from the outlying districts communications into Kamloops are much quicker than they are into Vancouver.

Mr. Quelch: The farmers in the Morrin district, which is a tuberculosis-free area, are glad to see that the work of testing cattle is to be started once again. I think the situation in that area is probably similar to that in other districts. When that area was set up—

Mr. Gardiner: Can we declare item 17 carried if we are going on with item 18?

Mr. Quelch: Does not item 17 deal with T.B.?

Mr. Gardiner: Item 18 deals with pay and compensation.

Mr. Quelch: I am not going to talk about that.

Mr. Gardiner: Oh, all right.

Mr. Quelch: As I was saying, when this area was set up some years ago, it was understood that additional areas would be set up in the surrounding country. But unfortunately, owing to the difficulty of securing the services of veterinaries the government had to discontinue that service. Consequently, as the minister can readily understand, a most unsatisfactory situation has developed there. I am sure the minister understands what I am referring to, so I will not say anything more about it.

The question I want to ask the minister is this. In districts where there is already a veterinary established, in which there is a T.B.-free area, will it be the policy of the government to utilize the services of that veterinary in carrying out the tests? I think the minister realizes only too well that many of these veterinaries in the country are not having any too easy time in making a living. They are performing a valuable service, and it certainly would help them to make a living if the government could give this work to them where they are qualified to do it.

Mr. Gardiner: Yes. We have now about 550 men on that work; 300 of them are part-time men and about 250 are full-time. Whenever a district is set up and there is a veterinary established there, we give him all the work that he can do.

Mr. Hansell: I should like to ask the minister a question with respect to the vaccination of horses that are transferred from one province to another. I do not know whether the necessity of vaccination in that case is a regulation proposed by this government or whether it would be a regulation proposed by the provincial government. The particular case I have in mind, and which was brought to my attention, was that of a man in Macleod who sold a team of horses to be transported to British Columbia. The man who purchased the horses wanted them for his work on farms, particularly for the haying season. That necessitated the vaccination of the horse, but this man could find no veterinary who would do the job. There was not one in the district. He phoned to Cardston about thirty or forty miles away. The veterinary said that he could not do it then and would not be able to do it for two weeks and advised the man to get in touch with Lethbridge. He did so and the veterinary there said that he could not do it then. He was going out of town, or something, for two weeks. He then got in touch with the Lethbridge veterinary. He was there and said, yes, bring the horses over. It would cost

the man $25 to transport those horses to Lethbridge to have the vaccinating done. Then he would have to have it done again in about a week or ten days' time, which would cost another $25. Eventually, the man heard from the purchaser of the animals to the effect that he wanted the team for haying, not for snow removal. Now, perhaps that is a provincial regulation. I am quite in sympathy with the minister or whoever is responsible. We have heard the member for Acadia (Mr. Quelch) say veterinarians find it very difficult to get along since the farms have been mechanized. Perhaps that is the case in this particular district.

I should like to ask whether any encouragement is given the veterinaries or someone who would do such a job as the vaccination of horses. I do not know, but I am told it is not a particularly difficult task. Perhaps some individual with even a smattering of knowledge of that sort of thing could vaccinate horses or cattle. These men who have a smattering of knowledge are not prepared to do it because they cannot get a licence, or something of that kind. The minister knows more about it than I do, but I should like an expression from him about what farmers or others who trade horses can do in such cases. Is the regulation a provincial or dominion regulation?

Mr. Gardiner: In connection with such diseases as glanders, for example, we have a regulation to the effect that those animals must be quarantined and eradicated.

Mr. Hansell: I do not think there was anything wrong with the horses.

Mr. Gardiner: I am saying that is what the dominion does, that is the type of work we do. Many of these other diseases, which are not as readily communicable as some of those with which we deal, are the subject of special provincial regulations. I understand the province of British Columbia has regulations in connection with certain diseases with which they have had some trouble. It is their desire to keep out those diseases which are not covered by any of our regulations. In this particular case, I presume it was one of those diseases that they were fighting. In that case we had nothing to do with it; it is a provincial regulation. From the story which has been related, I would judge it to be one of those cases. If it came within the group with which the dominion deals, we would handle it in just the same way as we handle glanders or other diseases.

Mr. Hansell: Is this licence, which is given a man to practise as a veterinary, granted by the dominion government or by the province?

[Mr. Hansell.]

Mr. Gardiner: It is granted by a provincial association under provincial law, as in the medical profession.

Mr. White (Middlesex East): There are two or three questions I should like to direct to the minister concerning items 17 and 18. Two days ago I asked him about compensation for those cattle that farmers had lost through the T.B. test. I wanted to know whether the payments would be increased. After reading the reply I am of the opinion that the minister's intention is to increase it in due time. I hope that is right.

In looking over the estimates I find that, in the year 1948-49, $1,007,845 was spent in compensation, while in the year 1949-50, the estimates we are now discussing, the amount allotted is $1,042,500. This would indicate to me that no provision has been made in these estimates to take care of increased compensation that might be contemplated.

Yesterday I journeyed to Toronto to see slaughtered a herd of 44 cattle from my constituency that had reacted to the T.B. test. I mention this case only because many other farmers, not only in Middlesex, but in Oxford and many other counties of western Ontario, are finding themselves in a similar situation. The problem is not only the loss of the cattle; for if the farmer is going to continue in business he has to replace those animals. He has an investment in buildings. He has his crops stored and is now without income. When he comes to replace those cattle he finds the money he has received for the reactors is far from adequate. I have noticed that it seems easy for the government to put through an order in council when other departments want to spend money, but they have been hesitating about this for some time. Could it be because the farmers are not too well organized or that there is only a limited number affected and the government believes it can get by on promises?

The federation of agriculture of the county of Middlesex made representations to the minister about this matter during the last session. They were given assurance that action would be forthcoming. Farmers are wondering just what is likely to happen. I am asking these questions of the minister so that in his reply he can cover the whole matter.

One of the questions in which I was interested concerns the number of cattle in the province of Newfoundland that have been tested for T.B. since Newfoundland became the tenth province. Has the minister that information? How many cattle have been tested in East Middlesex and how many have been tested in West Middlesex during the past year? Is the increased compensation going

to take effect from the date the regulation becomes effective or will it be retroactive? During the war there was a period when the testing of cattle for T.B. was practically at a standstill because so many of the men who were capable of doing that work were in the army. During that same period the price of cattle increased, particularly good dairy cows, to such an extent that the compensation paid prior to that time is not adequate. I should like to have the minister bring us up to date on this whole question.

Mr. Gardiner: Mr. Chairman, the answer today is the same as it was a year ago. About ten per cent of the cattle that are reactors go into the tank. The increased price of cattle does not hurt the man who is being paid compensation unless there is a large proportion of the animal infected because it is only then that it goes into the tank. If an animal is worth $200 this year and it was worth only $50 ten years ago the compensation is on the same basis, but the remainder of the animal is sold and the individual gets the return. If his return is based on the $200 price he may get the greater part of the $200 and he gets the compensation as well. It is not correct to say that because the price has gone up on cattle the compensation ought to go up. The compensation is not the whole thing.

A year ago there was considerable discussion, and I think properly so, of the fact that ten per cent of the cattle did go into the tank, and that compensation was not high enough for these animals when we simply paid the amount that we were required by law to pay. We brought in a bill to change the law. I think I introduced it into the house but it did not get any further than the introduction by the time the house was dissolved. In answer to a question the other day, I said that as far as I knew the same bill would come back again, and I have had assurance since that time that the legislation which did get to that stage last year, which passed council, was agreed to and reported to this house, is coming back. Only today I signed the bill and sent it on its regular course by which it will get into this house. That bill does provide that we pay the full compensation on animals which have gone into the tank. It is made retroactive to April 1, 1947. That is the way the bill was drawn last session, and it was drawn after full discussion with different areas concerned. The bill will be brought down in the same form. I do not think it will be changed in any word or letter. I presume it will go through the house. As soon as it does, money will be made available. Supplementary estimates will be brought down in order to take care of the expenditure in addition to what is in these regular estimates. The reason the estimates are not greatly increased in relation to that problem is that the amount of money necessary to deal with it is not yet before the house because the legislation has not been passed by the house.

May I now deal with the question as to how many were slaughtered in Middlesex. I hold in my hand the information with regard to Middlesex. There are four headings which read as follows. The first heading is "Herds." The second heading is "Cattle." The third heading is "Reactors." The fourth heading is "Infected Herds", and the last column is "Amount of money paid in compensation." As applied to Middlesex the first figure is 2,931; the second figure, which is the one the hon. member is interested in, is 54,523. The number of reactors is 8,619. The number of herds affected is 1,274; and the amount of compensation paid is $317,905. That is the full total with regard to Middlesex.

Mr. Blair: Will the minister give the figures for Lanark in the last test, based on the Middlesex figures?

Mr. Gardiner: There is a difference between Lanark and Middlesex, in that three tests have been made in Lanark and only one in Middlesex, which would make the figures not comparable as between the two areas. The first figure in Lanark in the third general test is 1,776, but the important fact is that there were 35,219 cattle tested and 106 reactors from 39 herds. The total amount paid is quite small as compared with the other, only $3,695. They had been cleaned up pretty well in the first two tests and the number that reacted in the third test was quite small.

Mr. Blair: There were 106 reactors in 39 herds. The minister has not the figures for the 1,776 herds?

Mr. Gardiner: Yes. That is the total out of 1,776 herds. Those were the reactors in the 39 herds in the third test. I think that is as it should be if the test is working. Clean up most of them the first time, clean up more the second, and there are not so many left the third time.

Mr. White (Middlesex East): The minister has just mentioned that in the second test a much smaller number of cattle are found as reactors. The reason I journeyed to Toronto yesterday was to see this herd slaughtered. On the first test only three were found to be reactors. On the second test 44 were found to be reactors. That led to some doubt in the minds of people in my constituency as to just what was going on. But I want to say to the minister and to others that I saw 33 of the carcasses butchered yesterday and I am satisfied that on that test no mistake was made so far as these

cattle were concerned, but I do not see how they missed them the first time.

Mr. Gardiner: Of course, there is the possibility that the three which were found in the beginning left sufficient infection around for the others to become infected in the meantime. I know that happened once in my own herd.

Mr. White (Middlesex East): Have any T.B. tests been made in Newfoundland?

Mr. Gardiner: No general tests have been made by this government. Whether one has been made by the other government, I do not know. Perhaps the Secretary of State can inform us.

Mr. Bradley: No.

Mr. Gardiner: I understand not.

Mr. Blair: Will the minister give consideration to the insurance scheme I suggested for the higher grades of purebred cattle?

Mr. Gardiner: After the hon. member spoke I tried to get some information as to the extent to which high-priced cattle can be insured. I imagine there is a possibility of insuring such cattle, which have been properly inspected and tested.

Mr. Blair: With commercial companies?

Mr. Gardiner: Yes, by commercial companies. However, I do not know that the government would want to consider going into the insurance business in that way.

Mr. Fair: What progress is being made in stamping out Bang's disease?

Mr. Gardiner: I do not know that I can suggest that great progress is being made, but I believe I can say that fairly satisfactory progress is being made. I have here some figures showing the total number of herds under examination and control of our inspection staffs, and the number of herds declared clear. These headings mean that the herds are still under supervision, and to get the total number of herds the figures should be added together. The information I have here is as follows:

	Herds under examination and control of inspection staffs	Herds declared clear
Prince Edward Island	37	10
Nova Scotia	1,228	90
New Brunswick	20	9
Quebec	294	200
Ontario	1,975	1,432
Manitoba	9	4
Saskatchewan	18	12
Alberta	11	2
British Columbia	29	18

In all Canada there are 3,621 herds under supervision and 1,777 declared clear.

[Mr. White (Middlesex East).]

Mr. Fair: What method is being used? Is there a process of vaccination while the calves are young, or at some other time?

Mr. Gardiner: Calf vaccine is being used by owners. Many of them tested these herds in order to render their cattle exempt from Bang's disease. This has proven successful in the United States. For a time we did not advocate its use here, but in more recent years we have accepted the proof given that it has been used successfully in the United States. We are now encouraging its use here, and many farmers are using it. In addition to that, there have been the ordinary tests which have been made, and animals condemned.

Mr. Fair: What happened to the Koch treatment of some seven years ago?

Mr. Gardiner: It has never been thought by the department to be satisfactory, and has never been encouraged by them.

Mr. Fair: But some experiments have taken place in connection with it?

Mr. Gardiner: I understand the department has tried to investigate everything that has been proposed at one time or another. This was one of the treatments they did not consider sufficiently satisfactory to warrant its recommendation.

Mr. Johnston: It was three or four years ago that Dr. Arnott of London, Ontario, had something to do with this Koch treatment. There was an extensive investigation, and I am wondering whether a report has been made with respect to it.

Mr. Gardiner: Yes, a report was made. He came here and discussed the matter with me and with others. I sent him to the officials, of course, and a full investigation was made into the treatment. The report was that the department was not prepared to recommend it.

Mr. Johnston: Would the minister make a copy of the report available? When Dr. Arnott was here he came to my office on several occasions to discuss this matter, and told us about the methods being employed and the manner in which the department was handling it. We were quite concerned at that time, because there did seem to be some hope that the treatment might have substantial results. If it is possible for the minister to submit the report to the committee, it would be of great service to us.

Mr. Gardiner: I am not sure whether the report was tabled in a previous year or not. I do know, however, that I have had considerable correspondence with regard to it, and I believe I sent the report to those who were interested in it. I am sure it is avail-

able to members of the house. I believe we could supply the hon. member or any other hon. members with copies of it.

Mr. Johnston: Would the minister send us a copy? It would be appreciated.

Mr. MacNaught: In connection with tuberculosis, I understand Prince Edward Island was one of the first provinces in which experiments were carried out. Tests were made this year. Has the minister any information as to the incidence?

Mr. Gardiner: I believe there were about 100,000 cattle, or something in that neighbourhood, and only about a dozen reactors in the whole group. In other words, the island is pretty well cleared up.

When I came here about fifteen years ago the maritime provinces were entirely covered by inspectors, and I think they were the only ones. One province at that time was strongly opposed to having any inspections, and no area in that province had been inspected. Today a considerable portion of it has been covered. Farmers right across Canada today are all agreed, and all agitate strongly that we come to check their cattle. However, up until fifteen or twenty years ago there was as much opposition to it as support of it. Now everyone wants it.

Mr. Stanfield: Are all the counties of Nova Scotia tuberculosis-tested areas today?

Mr. Gardiner: They are all restricted areas. I should not like to say they are all fully tested and clear to the extent that that obtains in Prince Edward Island.

Item agreed to.

18. Production service—Compensation for animals slaughtered, $1,042,500.

Mr. Harris (Danforth): The minister will recall that at the last session I requested that some of the moneys provided under this item be used for the purpose of research to check on swine fever, owing to the fact that, with the present large volume of soap being used, and the garbage-fed hogs being offered, the alkalinity and the acidity had had some effect on the increase in swine fever. I asked that some research be done and I ask now whether any research has been done, or shall we have to wait a little longer?

Mr. Gardiner: I understand that nothing new has been done since the discussion of last session, but that may be due partly to the fact that we were busy on other things in the meantime. As most hon. members know, I have just got back to the department within the last week. I shall see that consideration is given to the representations made.

Mr. Graydon: I do not think the minister should be denied an opportunity of answering my question.

Mr. Gardiner: As the hon. member for Peel suggested, we have had this matter up at least twice or perhaps three times in the house. This claim is being made by Mr. McIntyre and I believe one other person for compensation because of a special condition that developed. I am not enough of a specialist to know what proportion of cattle slaughtered will show definite proof of T.B. when they have been tested previously and found to be reactors. I am quite satisfied that a considerable percentage would not give any indication in the meat itself. This indication might be apparent in some of the organs that are thrown away and not utilized for meat purposes.

I imagine that the officials who were responsible for the test used exactly the same test as had been used on cattle all across Canada and it is difficult to understand how under those circumstances some forty odd cattle should be tested and then when slaughtered show no trace of the disease. I do not remember all the details and unfortunately I have not got them here, because it is so long ago. However, I do recall that our people investigated the matter on more than one occasion and came to the conclusion that there were no grounds on which special payment could be made.

If the legislation that is now being brought down had been made retroactive for a year longer, and if the cattle had gone into the tank, then there would be provision for special payment. But the opposite occurred in this case. There was no reason to send the animals into the tank and apparently the meat was all usable. That would mean that he would get the full value of the cattle at that time, but not as high a value as they would bring now.

I understand that these were breeding stock of a grade which would bring a much higher price than beef cattle. I have no doubt that Mr. McIntyre and the other gentleman feel aggrieved but I doubt very much if there is any legislation under which we could make payment. There may be a question as to whether we should have legislation and whether it should be made retroactive. I do not know the extent to which it would involve us.

This work is being carried on because the government has been pressed to carry it on. It is quite true that in the early years we had to sell the idea, but in recent years farmers all over the country have been pressing us to carry out these tests. Most of them accept the result. Some of them may feel that they

have lost money, but I think most of them feel that over the long period they are really being helped.

But when a man takes some forty-odd cattle to be slaughtered, and then on examination no disease condition is found, there may be something special that we should do about it. All I can say is that I shall have the officials have another look at it to see if we cannot find some reason to take care of the situation.

Mr. Graydon: I thank the minister for his consideration. Perhaps he will just remind his officials that there were three factors involved which perhaps ought to be taken into consideration. The first was that the herd had not reacted for many years. There were no reactors in the tests that were made.

Mr. Gardiner: They were tested every year.

Mr. Graydon: That is right. The second is that the serum used had been changed at that particular time. I would not want to give this as authentic information, but I understand that the serum was so severe that it had to be withdrawn afterward and another used. Mr. McIntyre's tests seemed to be in that particular period when the serum was so severe.

Mr. Gardiner: My memory is that that is correct.

Mr. Graydon: The third was that no evidence was found in the carcasses. I hate to be bringing up this matter so often, but it does seem to me that this is a case that should receive consideration. I know that the minister will do his best to see that this man gets justice. If he is not entitled to anything, that is all right; but it seems to me that he is, and that is the only reason I plead his case.

Item agreed to.

Production service—

21. Grants to fairs and exhibitions, under such terms and conditions as may be approved by the governor in council and subject to allocation by the treasury board, $475,900.

Mr. Wright: The details on page 109 indicate that $120,000 is to be paid to agricultural exhibition associations under order in council 2294 of June 6, 1947. I should like to know the subject matter of that order in council.

Mr. Gardiner: We have what are known as regular grants to fairs. There is a grant of $1,800 per year to B fairs and $2,500 to A fairs. At the time these grants were set up it was realized that they would not cover all the requirements of these associations, particularly in view of the fact that in many cases buildings had been used during the war for training purposes and had to be remodelled, while in some cases the fair association had to move from their own buildings to other grounds or buildings. Then in other cases buildings had been burned down and all that sort of thing. We provided that if they would agree that the $1,800 should be capitalized over ten years they would be given what amounted to a loan for the time being of $18,000 or a sum which would be in the neighbourhood of $18,000 when interest charges were included. That is paid back by paying $1,800 during each year of the ten years in order to take care of the amount. In other words, they can go ahead and spend $18,000 this year, and the amount is paid over the ten years of the grant. For the class A fairs it is $2,500, and on the same basis it gets you $25,000 to spend at one time.

There is one other which I may as well recite at the moment. We make special grants of a much larger amount which are negotiated with the fair board, and which are usually three-way payments. The province puts up an amount similar to what we put up, and the fair board itself secures a similar amount either from the city in which the fair is located, or from the association. The three amounts are utilized in order to put up special buildings. That is being done now in the city of Ottawa. It is being done at present in the city of London and was done in the city of Vancouver. It was done on quite a number of occasions before the war, and is being repeated in Toronto as to certain sums in connection with both the winter and summer fairs. Grants of that kind are being made across Canada, and they are in very much larger sums.

Mr. Wright: Can the class B fairs obtain these larger grants?

Mr. Gardiner: No. So far as the class B fairs are concerned, it is the $1,800 grant which can be capitalized over ten years in order to make a larger expenditure at the moment.

Mr. McLure: I should like to ask the minister—

The Chairman: Order; the hon. member for Prince.

Mr. MacNaught: I notice in the details that there are grants for exhibitions or fairs in every province in Canada with the exception of Prince Edward Island. I understand that some years ago a grant was made to the Charlottetown exhibition. At Charlottetown we have one of the best annual fairs in Canada. I understand that they are contemplating some additional construction, and I would ask the minister to take under consideration the possibility of making a grant to that fair next year.

Mr. Gardiner: I understand that Charlottetown is a class A fair, and of course they have all the opportunities that any other class A fairs have to make an application. They get their regular $2,500 grant, and that can be utilized to build up a larger fund. We will hold back payments over ten years in order to permit them to spend a larger amount now. Depending on how large a building they want to put up, as a class A fair they are in a position where it would be possible for them to come here and discuss a grant of a larger amount. I cannot say they would obtain it. It would depend on the circumstances.

Mr. McLure: When you shouted me down, Mr. Chairman, I got such a fright that I forgot my question. However, it was my fault. How many class A fairs are there? Will the minister read the list to us, also the class B fairs, and also the amount of the grant to each? Sometimes a class B fair becomes a class A fair, and sometimes they go the other way.

Mr. Gardiner: There are seventeen class A fairs in Canada. There is one in Charlottetown, Prince Edward Island. There are no class A fairs in Nova Scotia. There are none in New Brunswick. The class A fairs in Quebec are at Lachute, St. Hyacinthe, Sherbrooke and Three Rivers. In Ontario they are at Galt, Lindsay, London, Ottawa, Peterborough and Toronto. In Manitoba there is a class A fair at Brandon. In Saskatchewan there are class A fairs at Regina and Saskatoon. In Alberta there are class A fairs at Calgary and Edmonton. In British Columbia there is a class A fair at Vancouver.

The returns are not in for most of the fairs for this year, but I can give the figures for 1948-49. The amount for Vancouver was $14,500; Calgary, $3,500. At Edmonton we have one of those agreements which extend over the years so that the grant that was actually paid for the year was only $500. At Regina the amount was $4,000, and at Saskatoon $4,000. They are both the same. At Brandon, Manitoba, the amount was $4,000. Taking Ontario, the amount for Galt was $4,000, Lindsay, $3,500; London, $4,000; Ottawa, $4,500; Peterborough, $4,000; and Toronto, $4,000. Those are made up of the regular grants plus the possibility of two five hundreds. Some get one and some get two. In Quebec the amount for Lachute was $3,612; St. Hyacinthe, $4,000; Sherbrooke, $4,500; and Three Rivers, $4,000. The amount for Charlottetown was $3,500.

Mr. Black (Cumberland): In Cumberland county we have two fairs. One, the regular county fair, is held at Oxford, and is probably the best of its kind in Nova Scotia. It has been carried on and built up over the years by the wholehearted co-operation of the citizens of that community. In the town of Amherst we have the maritime winter fair which has been in existence for about fifty years, and is now the senior winter fair in Canada. It is agreed by stock raisers all over the maritime provinces that it has done more to build up the standard of stock of all kinds than any other agency in the maritime provinces. The grant appears to be only $5,500. There is also assistance from the province of Nova Scotia, the province of New Brunswick, and the province of Prince Edward Island, but in view of the increasing cost of carrying on the work, and the high standard that the fair has reached, the grant is not sufficient. The grant made to the royal agricultural winter fair in Toronto is $50,000. The maritime winter fair at Amherst is second to the royal agricultural winter fair, and the amount granted to it by the federal government is entirely inadequate today.

One member of this house, the hon. member for Chateauguay-Huntingdon-Laprairie, has gone down there from year to year. As he is a member of the house, we are glad to see him there judging the horses, with his silk hat, tuxedo, his cane, his gloves and so on. He is popular in Amherst; and if he were here tonight he would corroborate what I am saying and tell the members of the committee what a splendid exhibition has been built up there. We have been disappointed that the minister has not found it convenient to attend oftener. Over the years the other ministers of agriculture, from the days of Hon. Sydney Fisher, made it a practice of attending our show. I am not saying that the present minister has never been there, but he has not always come when he has been invited. Last year, when he was in Nova Scotia, the senior member for Halifax inveigled him away to another meeting of a different character. It did not have anything to do with agriculture. Anyway, on behalf of the people of the maritimes, and especially on behalf of the people of Amherst, I extend to the minister a special invitation to attend this year. Last year we were favoured by having the leader of the opposition make a personal visit, and when it was found that he was interested he received a special invitation. The large arena, the construction of which has been contributed to by both the federal government and the provincial government, was packed. Mr. Drew examined the exhibits and stated that he was amazed at the quality of the stock and the quantity shown at the maritime winter fair.

I make two appeals to the minister tonight: first, to attend our fair this year; and, secondly, to examine into the requirements and see if the grant being made to the mari-

time winter fair cannot be materially increased in order to give further encouragement in the splendid work that has been done over the years—about fifty, in all—by the citizens of Amherst and the stock raisers in the maritime provinces.

Mr. George: I should like to associate myself with the hon. member for Cumberland in asking the Minister of Agriculture to attend the maritime winter fair this fall. While it is probably the smallest among the fairs he has attended, it is one of the best fairs we know of. I am sure he will see that this money is being well expended and that we have use for more. This fair is one of the best attended fairs in eastern Canada and the buildings are crowded. The facilities are not large enough to hold the crowd around the exhibits. As a member of the board of directors for the past year, although I am not a member now, and especially as a member of one of the committees of the fair, I appreciate their difficulties; and I would recommend to the minister that he consider visiting that fair this fall and seeing what we really have.

Mr. Fair: Will the minister be good enough to give us the list of B fairs in 1948-49 and the grants that were paid?

Mr. Gardiner: The list is a rather long one. There are Bridgewater, Oxford, Sydney and Truro in Nova Scotia. Amherst is a winter fair. That is the one that has been spoken of. I think the second fair I visited after I became minister was the Amherst fair. The first one was Sherbrooke, I think, and the second one was Amherst. I have not got around to all of them yet. Probably I shall get back there some time. To return to the B fairs, in New Brunswick there is Fredericton; in Quebec: Ayer's Cliff, Brome, Cookshire, Quebec, Rimouski, Roberval, Ste. Scholastique, Shawville, Victoriaville and Waterloo; provincial fairs, Ormstown and Quebec; winter fairs, Sherbrooke. Then in Ontario: Barrie, Belleville, Brampton, Fort William, Kingston, Leamington, Markham, Owen Sound, Renfrew, Richmond, Simcoe, Stratford, Strathroy, Teeswater, Welland and Woodstock; winter fairs, Ottawa and Toronto. Then in Manitoba: Carman, Dauphin and Portage la Prairie, with a winter fair at Brandon. In Saskatchewan: Estevan, Lloydminster, Melfort, Moose Jaw, North Battleford, Prince Albert, Weyburn and Yorkton, with winter fairs at Regina and Saskatoon. In Alberta: Camrose, Lethbridge, Red Deer, Vegreville and Vermilion, with winter fairs at Calgary and Edmonton. In British Columbia: Armstrong, Chilliwack and Kamloops. That is the list.

[Mr. Black (Cumberland).]

Mr. Fair: Can the minister give us some idea of the amount of the grants to fairs in those western provinces?

Mr. Gardiner: The grants are about $2,500. I notice that at Lethbridge the grant is $2,500; at Red Deer it is $2,500; and at Vegreville it is $2,093.07. I do not know just why they got the seven cents. At Vermilion it is $2,500.

Mr. Drew: I just want to add a word to what has been said by the hon. member for Cumberland in regard to the maritime winter fair. I had a special interest in that fair because the royal winter fair, which was originally in Guelph before it went to Toronto, always had some argument as to which was the senior winter fair. However, I do not think there is any doubt about Amherst's properly claiming that right. It is a magnificent fair of the maritime provinces. It does tremendous work in advancing the quality of the stock and of the agricultural production generally. But at that fair there are not some of the opportunities for raising outside revenue that there are at the royal winter fair, for instance. I would join in what the hon. member for Cumberland has already said about considering the propriety of substantially increasing the grant to that fair.

Mr. Harkness: Out of this building grant of $120,000 for this year and $80,000 which was spent last year, can the minister tell me how much, if any, was allocated to the Calgary and Edmonton fairs respectively?

Mr. Gardiner: I do not think there is any special grant being made to Calgary, because they got their total amount last year of $3,500. Edmonton received only $500, which would suggest that we did make an agreement there. I am speaking from memory now, but I am quite certain that, owing to the construction of a grandstand, there was a special grant arranged for Edmonton, which results in our taking the money out of the regular grant from year to year in order to make up the larger amount which was required.

Mr. Harkness: I should like to follow this up. I was asked by one of the directors of the Calgary Stampede why Edmonton was able to get a building grant for its exhibition while Calgary could not get one. It is for that reason I asked the question. The minister says that Edmonton has about $500 this year, but I understood the amount was in the neighbourhood of ten or fifteen thousand dollars.

Mr. Gardiner: There is no reason why Calgary cannot get it if Calgary comes here as Edmonton did and puts forward special reasons for erecting a building. If they are

prepared to capitalize the grant over a term of years, it can be done. In the case of Edmonton, instead of getting $3,500 they will receive $500. The $500 is a grant which covers boys' and girls' clubs, and is never taken into an arrangement of that kind. We believe it is important that these boys' and girls' clubs be continued and the amount is paid for that purpose.

When a board comes along and says that, so far as the regular grant is concerned, they understand they are to receive $3,000 or $2,500—

Mr. Harkness: What do you mean by "regular grant" in that case?

Mr. Gardiner: The grant which is based on the fact the fair has a prize list and is a class A or B fair. It is permissible for such a fair to put up a building and utilize all the money they would receive over five years—it may be five but not more than ten years. This would mean that if they were entitled to a regular grant of $3,000, they could get $30,000. If they wanted half that amount, they could take half the amount from that particular fund or enter into a five-year arrangement. Edmonton has made such an arrangement but Calgary has not, so far as I know.

Mr. Harkness: The arrangement made was the one the minister suggests, a borrowing into the future; it was not one of the other types of grant he mentioned about an hour ago, which also came under this item?

Mr. Gardiner: Except that when I was dealing with it a while ago I did cover this type of grant as well as the larger grant which is made to fairs such as Toronto, Ottawa, London, and Vancouver.

Mr. Cruickshank: In Chilliwack we have a class B fair and we are perfectly satisfied with the fair treatment we have received in the past from the government. Over $100,000 of our own money was spent on a building for the Chilliwack fair. This money was contributed by the farmers and businessmen of the district. Unfortunately, we find we are in no position to complete the building. There are only two class B fairs in the province of British Columbia. I should like to ask the minister whether his department will consider giving us a grant or a loan—we would prefer a grant—to enable us to complete our building.

Mr. Gardiner: These arrangements are made by grant, that is, a grant of so much money to a class B fair. These grants go as high as $2,500, $1,800 of which is the ordinary grant; $200 is to provide for judges and $500 for boys' and girls' clubs. The only part of this grant about which we undertake to enter into an agreement is the $1,800. According to our legislation, the time limit is ten years. In the case of the Chilliwack fair, they could negotiate for the full amount or any part of the full amount of approximately $18,000 to be paid this year. If such an agreement were made, however, there would be no annual grant beyond the $200 and the $500. If only half of that amount were needed, arrangements could be made to charge it over a five year period or half of it over ten years.

Mr. Cruickshank: Perhaps I did not make myself clear. We are not in a position to complete our building after having invested $100,000 of our own money. We frankly admit it. There is a roof over the building, but we owe for the steel in the roof. This is a recreational centre as well as a building used for fair purposes. Is it not possible for the government to consider making a grant to us, or a loan at a reasonable rate of interest to complete this building?

Mr. Gardiner: By agreement, you can get $18,000 from the government for that purpose if that will complete the building. If that will not complete the building, then you can secure the money by means of a three-way agreement such as we have entered into with other fairs, whereby the province gives a similar amount. If your people can count what they have done as their share, then we would put up the $18,000.

Mr. Wright: Could the minister give the committee some idea of the qualifications that are necessary for the establishment of a class B fair? Is the number of class B fairs restricted in each province? If that is so, then until such time as one of the present class B fairs drops its charter, could another class B fair be operated in that province? Could the minister inform us as to the method of organization for having a class B fair established in an area where there is a class C fair now?

Mr. Gardiner: A class B fair is established when a fair has paid prizes amounting to $3,000 for three years. In order to prove that has been done, the evidence is submitted to us by the province which has control over these smaller fairs. When the point is reached where $3,000 in prizes has been paid for three years, then it can be classified as a class B fair.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): On Monday, Mr. Speaker, we will resume the debate on the address in reply to the speech from the throne.

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

Supply—Agriculture

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

14. Central experimental farm, $1,330,560.

15. Branch farms and stations and illustration stations, $3,819,403.

Production service—

16. Production service administration, $51,915.

Health of animals—

17. Administration of Animal Contagious Diseases Act and Meat and Canned Foods Act, $2,868,297.

18. Compensation for animals slaughtered, $1,042,500.

19. Live stock and poultry, $1,261,343.

Plant products—

20. Seeds, feeds, fertilizers, insecticides and fungicides control, including grant of $40,000 to Canadian Seed Growers' Association, $1,166,052.

HOUSE OF COMMONS

Monday, September 26, 1949

The house met at three o'clock.

FRUITS AND VEGETABLES

SUSPENSION OF RESTRICTIONS ON IMPORTATIONS

Hon. Douglas Abbott (Minister of Finance): Mr. Speaker, I wish to make a statement about the importation of fresh fruits and vegetables.

Hon. members will recall that when the shortage of United States dollars made it necessary to impose import restrictions in November, 1947, the importation of oranges and other citrus fruits, apples, potatoes, onions and fruit juices, was placed on a quota basis and the importation of many other fresh fruits and vegetables was prohibited.

As I said on several occasions in this house during the debate on the Emergency Exchange Conservation bill, these import restrictions on fresh fruits and vegetables like the other restrictions were intended to be temporary. They were put on as a necessary measure to conserve exchange and it has been our declared policy to relax and remove them as soon as the exchange position permitted.

Accordingly from time to time, as our reserves of gold and United States dollars improved, we relaxed the restrictions, by increases in the quota and by allowing the importation of staple vegetables and some fruits under open general permit—that is, without restriction.

In December, 1948, when the restrictions were substantially relaxed, I said that it was the government's intention to remove all remaining restrictions under the Emergency Exchange Conservation Act on fresh fruits and vegetables by the following July—that is, July 1949. This intention was confirmed in the budget speech of March 22 of this year.

It is hardly necessary for me to enlarge upon the grave uncertainties which confronted the government in July of this year arising out of the British exchange crisis. Under the circumstances the government considered that any further action at that time which might in any way adversely affect our exchange position should be postponed pending the outcome of the conferences and discussions then under way.

The government has now reviewed the position in the light of the Washington discussions, the subsequent realignment of exchange rates and the domestic supply situation and has come to the conclusion that it should now proceed to carry out its declared intention to remove all remaining restrictions under the Emergency Exchange Conservation Act on the import of fresh fruits and vegetables. I am hopeful that in due course other import restrictions can be relaxed and removed. But that will depend upon future developments in our exchange position.

Accordingly the government has decided to suspend the present import restrictions on all kinds of fresh fruits and vegetables in their natural state, and also on fruit juices, effective next Saturday, October 1.

No change is being made at present in the restrictions on canned or frozen or otherwise processed fruits and vegetables.

MEAT PACKING INDUSTRY

WORKS AND UNDERTAKINGS DECLARED TO BE FOR THE GENERAL ADVANTAGE OF CANADA

Mr. Alistair Stewart (Winnipeg North) moved for leave to introduce Bill No. 5, to declare the meat packing industry works for the general advantage of Canada.

He said: Mr. Speaker, the purpose of this bill is to make that part of the meat packing industry which carries on operations in two or more provinces subject to section 53(g) of the Industrial Relations and Disputes Investigation Act. In matters of collective bargaining the industry will then be able to negotiate on a national basis, and the government of Canada will have the authority to deal with disputes in an industry whose smooth functioning is essential to the national economy.

Motion agreed to and bill read the first time.

TRANS-CANADA HIGHWAY

PROVISION FOR FEDERAL CONTRIBUTIONS TO PROVINCES

Right Hon. L. S. St. Laurent (for the Minister of Reconstruction and Supply) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to introduce a measure to encourage and assist in the construction of a trans-Canada highway and to provide for this purpose that the Minister of Reconstruction and Supply

may enter into agreements with any provinces providing for the payment by Canada to those provinces of contributions in respect of the cost of a trans-Canada highway; with provision also for the employment of temporary engineers, technical officers and other employees for the purpose of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

CANADA FORESTRY ACT

FOREST PROTECTION AND EXPERIMENT, CONTROL AND MANAGEMENT

Hon. Colin Gibson (Minister of Mines and Resources) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to present a bill to authorize the governor in council to establish as a national forest or as a forest experimental area lands belonging to His Majesty in the right of Canada and to exercise control and management thereof and construct works therein; to establish and maintain forest research laboratories; to assist provinces or owners of forests and to enter into agreements respecting the protection and development of forest lands. The Minister of Mines and Resources is authorized to appoint temporary officers and employees for the carrying out of the provisions of the act.

Expenditures incurred are payable out of the consolidated revenue fund.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

OVERSEAS TELECOMMUNICATION ACT

CORPORATION TO TAKE OVER PROPERTY AND EQUIPMENT OF MARCONI AND CABLE AND WIRELESS, LIMITED

Hon. Lionel Chevrier (Minister of Transport) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to present a bill to establish under the direction of the Minister of Transport a corporation to be called Canadian Overseas Telecommunication Corporation to take over the property and equipment of Canadian Marconi Company, Limited, and Cable and Wireless, Limited, used in connection with the external communication services. These communication services to be operated by the corporation and co-ordinated with the services of other parts of the commonwealth.

The Minister of Finance with the approval of the governor in council to be authorized to pay to the corporation out of unappropriated moneys in the consolidated revenue fund an amount not exceeding in the aggregate four and one-half million dollars and in addition thereto such moneys as may be appropriated by parliament for the capital purposes of the corporation.

The Minister of Finance with the approval of the governor in council to be authorized to lend, from time to time, moneys to the corporation out of unappropriated moneys of the consolidated revenue fund, for temporary purposes, the aggregate outstanding at any time not to exceed $100,000.

The amount of losses suffered by the corporation in any year to be paid to the corporation from moneys appropriated by parliament for that purpose.

The amount of the profits realized by the corporation in any year to be paid to the Receiver General of Canada.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

INDIAN ACT

INQUIRY AS TO LEGISLATION AT THE PRESENT SESSION

On the orders of the day:

Mr. J. L. Gibson (Comox-Alberni): I should like to ask the Minister of Mines and Resources whether the government intends to introduce legislation at this session to amend the Indian Act.

Hon. Colin Gibson (Minister of Mines and Resources): A draft bill to amend the Indian Act is in the hands of the Department of Justice, but I am not able to say when it will be available for consideration by the house.

Mr. Smith (Calgary West): We were told last session that the bill to amend the Indian Act was before the Department of Justice. When does the minister expect it will come to the surface? It has been there a long time now.

Mr. Gibson (Hamilton West): I am afraid the hon. member will have to address that question to the Minister of Justice.

Mr. Smith (Calgary West): Will the minister convey it to him? He is not sitting more than a mile and a half away.

IMMIGRATION

ADMISSION OF GERMAN NATIONALS TO CANADA

Hon. Colin Gibson (Minister of Mines and Resources): I should like to reply to a question asked on Friday last by the hon. member for Moose Jaw (Mr. Thatcher). The question was:

Has the government given consideration to relaxing the immigration laws in order to let into this country German nationals who have relatives in Canada?

I want to apologize to the hon. member for stating at that time that I had not received notice of his question. I found later that notice had been sent to my office, but unfortunately I did not receive it.

In reply to the question I can say that the matter has received the consideration of the government, but that no change has been made in the existing regulations. However, there has been some modification in the enforcement of the regulations, in that the government is now prepared to consider applications for the admission from Germany of first degree relatives of legal residents of Canada, provided that suitable settlement arrangements have been made, and they have been passed as acceptable in respect to health and character. Such applications, if approved, will be dealt with by special order in council.

Those eligible for consideration are: (a) the wife and unmarried children under eighteen years of age of a legal resident of Canada; (b) the husband of a legal resident of Canada; (c) the parents, age sixty-five years and over, of legal residents of Canada.

Mr. Fleming: Is consideration being given to the admission of German fiancés of resident Canadians, having regard to the immigration regulations affecting German nationals?

Mr. Gibson (Hamilton West): That matter has been under consideration. It is not felt that we should make any general regulation as to fiancés because it is too easy for persons to claim that he or she is a fiancé. However, I can tell the hon. member that when a case is made out that seems to be a reasonable one, the matter will receive consideration.

Mr. Wright: I should like to ask whether the lifting of the regulations will apply to Germans living in the Russian zone as well as to those living in the other zones.

Mr. Gibson (Hamilton West): There has been no lifting of the regulations. It is merely that special cases, particularly those of hardship involving various families, are receiving attention, and, instead of a complete prohibition, the government is prepared to deal with individual cases by special order in council where it deems the conditions justify such action.

PANDIT JAWAHARLAL NEHRU

ANSWER TO QUESTION AS TO VISIT TO CANADA

On the orders of the day:

Right Hon. L. S. St. Laurent (Prime Minister): May I supplement the answer I gave the hon. member for Peel (Mr. Graydon) on Friday last when he inquired whether or not arrangements had been made for a visit to Canada of Prime Minister Nehru. Mr. Nehru has accepted the invitation of the government to visit Canada this fall. It is expected that he will arrive in Ottawa on Sunday, October 23, and remain until October 26. Mr. Nehru will be the guest of Their Excellencies the Governor General and Lady Alexander at Government House. Following the visit to Ottawa Mr. Nehru will go to the United States, but he will return to Canada for a brief visit to Vancouver on November 2 and 3 to meet the local Indian community.

Mr. Green: May I ask whether or not arrangements will be made to have Mr. Nehru address the members of the House of Commons?

Mr. St. Laurent: That question has been taken up with Mr. Nehru, and we hope, and I think I can say rather confidently, that he will consent to address the members of the houses of parliament.

BRITISH NORTH AMERICA ACT

PROCEDURE IN AMENDMENT—CONSULTATION WITH PROVINCIAL GOVERNMENTS

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): May I ask the Prime Minister if he has yet received replies to the letters he wrote on September 15 to the provincial premiers concerning amendments to the British North America Act, and, if he has, would he consider tabling them so that they may be printed in an appendix to *Hansard*?

Right Hon. L. S. St. Laurent (Prime Minister): I have received provisional answers from three of the provincial premiers. It is the intention of the government to table the answers as soon as they have all been received. It was felt that it might be preferable to wait a few days and table them all at once rather than have them come forward piecemeal.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Thursday, September 22, consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. E. D. Fulton (Kamloops): This afternoon I should like to say a few words on the subjects of foreign exchange, Canada's foreign trade, and the devaluation of the dollar. Before doing so, Mr. Speaker, may I humbly extend to you my congratulations upon your election to the office which you now hold. As one who is still a junior member of this house I realize that I must express my congratulations with deference, and I do so, but although I am perhaps ill qualified to express

my happiness at that choice, nevertheless the sincerity of my remarks is not to be measured by the humility of my address.

I should like to say a word or two about the constituency which I represent. In some respects I am making my maiden speech, because the constituency which I now represent, owing to certain changes brought about by the last administration for reasons best known to themselves, is a very different one from the constituency which I represented in the house in 1945. It differs mainly in that it has been enlarged by the addition of approximately half the area it previously had. Therefore I now feel that I have all the best of the interior of the province of British Columbia. I am delighted to have the opportunity to represent that section, but I think I should point out that the task of representing it adequately, owing to its tremendous size, diversity of interests, and the difficulty of communication, is greatly increased because of the change which was made.

Mr. Gibson (Comox-Alberni): You can handle it.

Mr. Fulton: It seems like it. Somebody tried to take it away from me, but without success.

There are certain matters having to do with that new area which I think I should bring to the attention of the house and the government. I refer particularly to the part which is known as the Cariboo. Although there is a constituency known as Cariboo, I am referring to what is generally called the Cariboo in terms of the ranching country, the country behind that up the middle reaches of the Fraser river valley and in behind Lillooet. It is still a pioneer country, although it was first settled over a hundred years ago, and although in the 1850's it was subject to tremendous expansion owing to the great gold rush of those days. As a matter of fact in a recent publication I saw that at that time the city of Barkerville was the second largest on the Pacific coast. Therefore you can see that the area is one with a long history.

In spite of this long history, in many respects it is still a pioneer country so far as what we call the amenities of civilization—the telephone, postal service, electrification, and so on—are concerned. It is as hard as it was when it was first settled. As a matter of fact the mail service is no better today in many portions of that area than it was twenty-five years ago. In some ways the mail service is worse, because in the old historical days of the Cariboo stage coach they had a daily mail service up and down the Cariboo highway. After the Pacific Great Eastern Railway was built the P.G.E. got the mail contract. During the winter it runs twice a week, and during the summer three times a week. Recently they put on a daily service for two months of the year. But the normal mail service of these people is twice weekly. It is a great hardship. I see no reason why there should not be a daily mail service for that area. They have a daily bus service.

I have discussed this matter with the predecessor of the present Postmaster General (Mr. Rinfret). Investigations have been promised, and investigations have been made, but the investigations have not been equalled by the progress. It seems to me that if Canada can afford to have what we call all-up air mail service, the cost of which is contributed to by the people in the area I am describing —they pay the postal rate—then the people of the Cariboo district should at least have a daily mail service by bus. Furthermore, it seems to me that it is our pioneer districts which should now receive some consideration. After all, the people of our great cities, such as Vancouver, Winnipeg, Toronto, Montreal, and Halifax, were already adequately served with respect to mail delivery, by train and bus. I am not against general improvement in the mail service, but I certainly believe that the people in the pioneer areas, who contribute to the cost of the all-up service, are entitled to have their service brought up to a reasonable standard before other services which are already adequate are given a super standard.

The same remarks apply to the question of telephone service. In that district the telephone service is provided by the federal government, and is now under the jurisdiction of the Minister of Transport (Mr. Chevrier). Although it is supposed to be a public service, it seems to me that it is approached from the standpoint that before any improvement is made in the service it has to be shown there will be sufficient revenue to justify it. That is all very well in the case of a commercial company. That is what they look to first; they could not continue to operate unless they operated at a profit. But where the conditions are such that a commercial company will not go in there—because obviously it is not profitable—and it is undertaken by the government as a community service, I certainly believe they should change the criterion which at the present time is: Will the revenue to be obtained justify the expenditure? It seems to me that is quite a wrong approach to the question of improving service in these areas.

Hon. members know, without my going into detail, the hardships which some of these people undergo, particularly in wintertime when roads are blocked, and in the spring when rivers flood and bridges are washed out and they are left with absolutely no means

of communication with the outside world except by telephone. Their needs are obvious, but I submit that in past years they have not been given proper sympathetic treatment by the government. I am not blaming any particular government; I use the word generally. In past years they have not been given the consideration which their condition and their contribution to the welfare of this country would demand.

Having said that, Mr. Speaker, I turn back to the problems immediately before the house. In doing so I should like, if my colleagues will bear with me, to say a word or two in French.

(Translation):

Mr. Speaker, I believe it is fitting that I should express as I did at the beginning of the last parliament, feelings of gratitude and thankfulness to my fellow citizens of the province of Quebec for the courtesy and friendship they have always shown me. I also wish to tell a great many of them how glad I am of the opportunity to greet them in this house.

Those ties of warm and enduring friendship with my French-speaking compatriots were formed during the last world war, on the battlefields and on the general staff, when we fought side by side for a common cause, for our country, Canada. Friendly relations established under such circumstances cannot but last for a long time.

I would ask my French-speaking fellow citizens to kindly excuse me if I do not express myself as ably in their language as they do in mine. It is by striving to understand and talk another tongue that one succeeds, to a large extent, in getting the point of view of those who speak it. That also adds to the mutual feeling of confidence and good will, of which we find a striking example in this country and which, let us hope, will ever deepen.

For that reason, I am especially happy to welcome two new Progressive Conservative members from the province of Quebec. Perhaps it is not a good thing for a province to be nearly entirely represented by only one party. It is therefore very encouraging to see two spokesmen from the province of Quebec sitting on our side of the house. Their reputation, their past record, together with the speeches they have already uttered in this house reveal their qualifications and show how valuable their help will be to us. We English-speaking Canadians from the other parts of the country cannot, despite our good will and our keen desire to co-operate, express the point of view of the province of Quebec as easily and accurately as those who live in that province.

These two members will therefore make known the views of the province of Quebec on our national problems, enabling us to solve them in that spirit of mutual confidence and co-operation which is so essential to national unity.

(Text):

May I now turn to a subject which I think is one of the most important that will be brought before the house this session, or indeed in many succeeding sessions. I refer to the matter of exchange control and currency devaluation. There is no more important topic than this at the present time, having regard to Canada's trade position, the recent devaluation of the pound sterling and the subsequent devaluation of the dollar, and the mass of inconsistencies and contradictions in government policy and in recent statements by ministers dealing with this question.

First I should like to review briefly Canada's trade position. It goes almost without saying that to Canada, more than to most countries, foreign trade is vital. It is generally agreed that of those gainfully employed in this country, in the neighbourhood of one-third derive their income directly from our export trade, with the other two-thirds directly or indirectly dependent for their prosperity upon the prosperity of the first third. Furthermore, Canada is far from being a self-sufficient nation. We must import a great variety of the things we need in our daily living; and in order to do that we must keep up a substantial volume of exports. In recent months we have been losing our foreign markets. Our favourable trade balance has been dropping at an alarming rate. The figures given in the latest Bank of Canada statistical summary show that our favourable balance has shrunk from an average of $42 million per month in 1948 to only $6·3 million in the months of 1949 for which figures are available, and the most disturbing aspect of the situation is that we are losing our markets in the sterling countries.

It is with the sterling countries that Canada's trade is vital, principally because in the past our exports to those countries have consisted of commodities having a high labour content. It has been estimated by economists that approximately seventy-five per cent of the commodities we export to the sterling areas have a high labour content, whereas our exports to the United States in general consist of such things as pulp and paper products, raw minerals and commodities with a relatively low labour content. Therefore it is vital, from the point of view of trade and employment in Canada, that

we should retain the sterling market; but this is the market that we have been losing at an alarming rate. Again, the figures of the Bank of Canada show that in the twelve-month period ending in July, 1949, our exports to the sterling market had dropped by $100 million as compared with the figures for 1947.

In its recent business letter the Bank of Nova Scotia analysed the situation. That letter in turn has been analysed in the September 20 issue of *Saturday Night;* and since the picture given there sets out very clearly the difficulties in which the country now finds itself, I should like to read some extracts from page 34 of that issue:

> Presumably every Canadian who can read now knows that Britain is in financial trouble that so far has proved too much for even her well known courage, doggedness and experience. But few seem to understand that Canada is in trouble too. Our trouble, like Britain's, is one of markets and means of payment. If we don't solve it—and no solution is now in sight—we could have a very unpleasant contraction in employment.

I pause, Mr. Speaker, to observe that I believe the writer is softening the blow. I do not think it is a case in which we "could have" a very unpleasant contraction in employment—referring to something that might happen in the future; I think we are faced with it right now.

After describing the measures taken to increase our exports to the United States, the article continues as follows:

> The volume of exports to other areas has been decreasing; exports to Britain are now smaller than pre-war, and exports to the dominions and the British colonies and to western Europe have fallen substantially from the early post-war peak.
>
> While the United States has provided an alternative market for a substantial part of the wood, paper and mineral exports which formerly went overseas, it is not providing any real substitute for the exports of the kind of manufactured goods which have been going to the dominions and colonies and Latin America. Nor does it offer any significant alternative for the products of the prairie grain fields.

This serves to confirm my statement, based on the Bank of Canada figures, that the volume of our exports to Britain is shrinking substantially. The article says that apart from exports of wheat and flour, which have been much larger than pre-war exports, and of eggs, wood pulp, pit props, plywood, aluminum and ferrous alloys, most Canadian exports to Britain are down substantially from the pre-war level. What I have read, and the figures which have been cited from the Bank of Canada summary, show that we are faced with a serious problem in the contracting sterling area markets. It is no exaggeration to say that the employment and income of the majority of the Canadian people are being threatened by the loss of these markets.

The reasons for this loss, Mr. Speaker, are fourfold: first, the currency restrictions which we have imposed as part of our foreign exchange control policy; second, the inability of the sterling area to acquire dollars; third, and bound up with these two, the non-convertibility of currencies. This means there are no free exchange markets; all exchanges are now controlled. Finally there is Canada's own exchange control policy, especially the parity policy which until recently was pursued by this government.

In order to understand this, I think it is necessary for us to analyse what has been taking place in Canada during the last eighteen months or so. As a convenient starting point one should perhaps refer to the statement made in this house by the Minister of Finance (Mr. Abbott) on September 19. When one analyses that statement, one is struck by the realization that within a space of six months the minister could so cheerfully, apparently blissfully unconscious of what he was doing, completely reverse his position.

We recall his arguments against devaluation last March, and his denials of our suggestions that Canada herself could do anything to restore any measure of convertibility. When we remember the loud and oft-repeated statements that the parity price was a realistic level in the best interests of Canada's economy, and compare them with the arguments now advanced to support devaluation, we realize just how empty and ill-advised were the statements then made. A sense of realism has been forced on the minister by the march of events. He is now compelled to do what should have been done a year or more ago, and, in doing so, to advance and defend theories which six months ago he was denouncing and ridiculing.

It is true that surrounding circumstances have changed. The pound sterling has been drastically devalued. We must make all due allowances for that. But even so, if we compare the statements of last March with the statement of this September we see in the minister's statement on the later occasion not only a recognition that devaluation on our part is doubly necessary as a result of the British action, but also a repudiation of the arguments and theories upon which Canadian devaluation was previously refused. Reading the words used this September, Mr. Speaker, some of us are confirmed in the view which we held at the time of the minister's earlier pronouncements, namely, that on the one hand their lack of real soundness or good sense and, on the other, their harmful influence on the Canadian economy,

were matched only by the loud voice in which they were delivered and the frequency with which they were repeated.

I am making this comparison between what was said this September and what was said last March for a very definite purpose, a purpose quite removed from what would be a natural desire to show that the minister was wrong on the former occasion. I believe our exchange control policy is still wrong. It is still hampering and harming the restoration of convertibility and the free flow of trade. It is therefore important for us to examine what has been said and done to see how wrong it was, in order that we may ascertain what can be done to put it right.

Two things must be borne in mind, Mr. Speaker. First, in considering the earlier statements and actions, may I ask you to bear in mind that it was not so much the relation of the Canadian dollar to the pound which was being discussed as the fixing of the dollar at parity with the United States dollar. It was our contention that that was an improper move. Second, I am not saying the dollar should have been kept at parity. I am not opposing the devaluation to ninety cents within the limitations imposed by the confines of the government's own crippled and reluctant thinking in terms of foreign exchange control. I am saying that their whole exchange control program is confused and contradictory. The government are not qualified to make a guess at where our dollar should be fixed—and they have just guessed at ninety cents. I say the price of the dollar in international exchange should not be fixed by the government at all.

Let us consider what has happened under this control policy. It is certain that one of the obstacles to trade is the lack of convertibility of exchange. In 1946 the government fixed our dollar at par, a rise in price of ten cents, not domestically, but for foreign countries wishing to buy our goods. It is certain also that we cannot buy from foreign countries unless they buy from us. To fix our dollar at a price higher than people have previously paid, and higher than many are willing or able to pay, can hardly be other than a further blow to convertibility. Shortly thereafter Canada lost a billion dollars of her exchange reserves. We found that we were buying far more from the United States than they were buying from us. The austerity program was inaugurated in November, 1947. Together with the continuation of parity, that was supposed to fix everything. Indeed, last March the minister said it had practically fixed everything. There is the first contradiction.

On March 17, 1949, the minister said that, as a result of the various government measures, our position was much better and was improving all the time. These remarks will be found at pages 1564 and 1565 of *Hansard* of that date. He admitted that Canada was not yet in the clear, but he stated that things were vastly improved, and claimed that the credit for this was partly due to the parity rate, so he refused to alter it. Six months later, this September, the minister admits that when he spoke in March he knew things were getting worse, not better. On page 57 of *Hansard* of September 19, the minister is reported as saying:

> However, at the beginning of 1949 it was clear that the worsening world dollar situation and our rising imports from the United States would result in a sharp reduction in our current account surplus. The current account surplus in our balance of payments has in fact been declining and it is now estimated that, for the year as a whole, it will in any case be very small.

A little further on in the same speech, he said:

> In these circumstances, it is highly desirable to pursue policies which would help to prevent a deficit in our trading position.

These words show that the deterioration was known to the minister at the time he made his earlier statement in March of this year. But the astounding and disconcerting fact remains that he painted that contrary picture in March, and he used what he then stated as the facts of our trade and exchange picture to justify the continuance of parity fixation; whereas he now uses the so-called facts of our trade and exchange picture, quite apart from the pound devaluation, to justify a devaluation of our dollar in terms of the United States dollar.

In view of an apparently deliberate inconsistency of this sort, the minister can hardly expect us to have confidence in his qualifications to control and set the exchange value of our dollar. Indeed, contradiction follows hard upon contradiction. In the speech of last March the minister went on to say how favourable our trade position was becoming, not only with the United States but indeed with the whole world. After painting this glowing picture he used these words on March 17, to be found at page 1569 of *Hansard:*

> Now, Mr. Speaker, in the light of our export position and our over-all balance of payments position, are my hon. friends—

Referring to the members of the official opposition.

> —really prepared to maintain that the present official quotation of the Canadian dollar is not realistic? These factors would seem to me to lead to the conclusion, if anything, that the present exchange rate of our currency is too low, and that the Canadian dollar should be appreciated.

That is what the minister said last March. Now in September, only six months later, he says that he knew at that very time that the situation was getting worse, because he used the words I have already quoted from his statement last Monday night, that at the beginning of 1949 it was clear that the worsening world dollar situation and our rising imports from the United States would result in a sharp reduction in our current account surplus. The very facts—if anything the minister says is fact—of Canada's balance of payments position which in March he used to justify his belief in appreciating the dollar, he uses to justify depreciation in September, quite apart from the question of any alteration in the value of the pound.

Again in March, 1949, he rejected devaluation of our dollar because, he said, it would make it harder for the British to export to us, and they need dollars. I think that position can be appreciated. Then he said—and I am quoting from page 1570 of *Hansard* of March 17 last:

> . . . far from helping the situation, the action—

By that he meant devaluation.

> —some hon. members opposite appear to have in their mind would, as I have said before, aggravate it and worsen the lot of these exporters.

That is, of the British exporters. Then in September, 1949, when Britain, desperate to get dollars, has devalued so as to help herself sell to us, he devalues too, which action, according to his own previous argument, would at least partly undo any good Britain had done herself and make it harder again for her to export to us. What are we to think of this when the same minister once more contradicts himself in the course of the very same speech on Monday, and, having praised the efforts and steps taken by the United Kingdom in devaluing, said, as reported at page 56 of *Hansard*:

> The dollar countries on the other hand would have to follow policies which would enable that expansion in dollar earnings to take place;—

He was referring to the dollar earnings of sterling area countries. Then he went on to say:

> —and wherever possible undertake the removal of obstacles which stand in the way.

Then he turns right around and devalues, which action he earlier said would impose an obstacle in the way of British exports to us.

One could go on for some time, Mr. Speaker, pointing out further inconsistencies between the two statements, the one made in March of this year—when, as we now find, he had full knowledge of the deteriorating situation —and the statement made just a week ago tonight. We could recall the minister's earlier scornful references to what he termed "currency manipulation". It was a bad thing in March. Apparently it is a good thing in September. One could recall his contention that those who desired to see a reduction of our dollar in terms of the United States dollar wanted to offer it at "bargain basement prices". That is the expression he used to discourage a reduction to a ninety-cent dollar. One can only ask oneself now whether the minister has in fact sold out.

I have said enough to show that there is neither consistency nor intelligence in the government's handling of this matter, as revealed by the statements of the Minister of Finance. In spite of all the government's boasting about Canada's position of importance in international relations and in the realm of trade, a position which we on this side fully recognize, the minister's earlier refusal to act, and his stubborn contention that Canada could do nothing of her own volition, have once more left our country in the position of merely tagging along behind others.

My contention is that devaluation and fixing the dollar at ninety cents is but a stop-gap and is insufficient. We must go further and find the means of restoring convertibility, of enabling the sterling area to buy from us. In this connection may I refer you, Mr. Speaker, to a statement made by Mr. Harold Wilson, president of the British board of trade. I do this to show that Britain is desperately anxious to buy from us but is desperately unable to do so. The article appeared in the Montreal *Gazette* of September 22. It reports that Harold Wilson said on September 21 that Britain must continue to depend on Canada, and continues:

> In a four-minute talk which he recorded today for broadcast in Manitoba and Saskatchewan next week, Wilson replied obliquely to reports that Britain is turning to other sources for her wheat.
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> "We are dead keen on your produce," he said. "Seventy-five per cent of our wheat comes from your prairie provinces, and we should have great difficulty in getting it anywhere else."

In conclusion, Mr. Speaker, I think I should indicate what is needed. In my opinion what is needed is that the government and their experts must get away from their closed-mind type of thinking on this subject of foreign exchange. We need a change from the policy of tying up the dollar, of putting fences around it, which now makes it impossible for sterling countries to acquire dollars to buy from us. We must keep the sterling market. To do this we must enable them to buy from us. As I see it, this means that we must either accept sterling and have the Bank of Canada convert it into dollars, or find some other means of freeing the dollar so that it and the pound are freely convert-

ible. In detail, here are some recommendations that I should like to lay before the house and the government:

1. We must buy from those who buy from us. And the people who buy more from us than they sell to us, the people who are our best customers now and have been traditionally, are the people in the sterling areas.

2. We must accept sterling in payment until sterling countries are able to pay in dollars; and the Bank of Canada should convert sterling, if necessary, into Canadian dollars until the pound and the dollar are freely convertible.

3. We must stop thinking of the artificial setting of exchange rates. Exchange is both the medium and the measure of foreign trade. That is all it is or should be. It should be allowed to function as such. Let currencies find their proper levels in the exchange field. We are talking about foreign exchange, not domestic levels. Let them find their proper levels in the exchange field as measured by foreign trade. If this works temporary hardship, then take other measures through the means now open, through official control of credit and currency—that is, through the Bank of Canada and the international monetary fund—to relieve hardship and to soften any violent fluctuation.

4. We must approach sterling countries along these lines and work out a program whereby they will agree to remove their restrictions on purchases in Canada by their residents, so that trade can in fact begin to flow freely. And in my view we should even be prepared to contemplate some form of commonwealth clearing house to adjust the initial disproportion which would undoubtedly exist between the demand for Canadian dollars and the demand for sterling.

It must be admitted that these measures call for international co-operation. But, to go back to the point I made at the beginning of my observations, the welfare, employment and income of nearly every Canadian depends upon finding a solution to this problem. No longer, merely because it is a problem international in scope, can we allow our official attitude to be, as has been said by the ministry in the past, that Canada can do nothing. Canada's trade and employment are at stake, and Canada must act to protect them.

Mr. J. L. MacDougall (Vancouver-Burrard): Mr. Speaker, it was not my intention to speak in the debate on the address in reply. Occasion has changed events, however; and after listening to the excellent address delivered the other day by my good friend the hon. member for Lake Centre (Mr. Diefenbaker), I felt that perhaps the other eighty-nine new members might have felt, as I have, the symptom so well described by the hon. member. Consequently at this time I take the occasion to congratulate you, Mr. Speaker, upon your elevation to the high office you now hold. I congratulate collectively all those who have thus far participated in the debate, and again I add my voice to that of those who have so far extended congratulations.

May I in my introductory remarks speak with respect to the riding it is my honour to represent in the House of Commons. No doubt hon. members are now conscious of the fact that there is one riding in British Columbia which is pre-eminently superlative in all Canada. Let me say, however, that there is another riding which equals the beauty, the magnitude and the importance of that of my good friend who represents the constituency of Vancouver South (Mr. Laing); I refer to my beloved riding of Vancouver-Burrard.

As we enter the portals of this parliament building we see inscribed above the doors these words:

> The wholesome sea is at her gates,
> Her gates both east and west.

That applies to my riding only unilaterally. I am sure, however, that whoever was responsible for this inscription must first have seen the riding of Vancouver-Burrard.

I know I speak individually and collectively for the membership of this House of Commons when I say that in all the congratulatory messages delivered since the opening of this twenty-first parliament there is one which up to now has not been included, one group which has not been sufficiently recognized. I refer to the group who, by the grace of God, have placed us where we are today. I refer to our parents, who would have been proud indeed if they had lived to see us here. Whatever we may have, whatever we have done or may do, we owe in large measure to the example set by them, to the knowledge we gained at our mothers' knees. I believe all will agree that anything good within us, anything worthy of our country and of the esteem of our electorate, is largely traceable to our inheritance, both by example and by blood.

Burrard, in particular, is similar to other constituencies in Canada so far as its basic composition is concerned. By this I mean that the electorate in all constituencies offer one of the most interesting studies in human nature. They are a cross-section of Canadians from the Atlantic to the Pacific, the people whom you and I, sir, are permitted to represent in this august assembly.

Before I deal in more general terms with

the dominion, and those basic principles which have brought about the humanitarian policies of the government, may I humbly beseech and pray that the government, as quickly as humanly possible, may evolve legislation to bring about compulsory contributory retirement pensions for all, without a means test. When I make this plea I believe I speak not only for myself but for all Liberal members, and in all probability for many other members from British Columbia.

We on the Pacific coast feel that in some of our industries which are more affected by the winter weather than others we suffer from a degree of unemployment which is peculiar not only to British Columbia but, in some ways, to various other provinces throughout the length and breadth of Canada. We urge that in its wisdom the government may soon be able to evolve some improvement in the Unemployment Insurance Act. Having regard to human nature, and to the attitude which may be taken by many hon. members, particularly the new ones, I believe it might be wise and prudent to review some of the highlights in the history of the human race. We have come far from the days of the garden of Eden. Yet in a measure the troubles, the foibles and the heart-breaks of that ancient time have been handed down from one generation to another.

In the few moments I shall speak I shall do so with the realization that democracy is still the best kind of government for any free people. It is a method of true expression, through the members of this house, of the views of the electorate who are responsible for our presence here today. Therefore it has occurred to me that in discussing human nature it would be well to look back at our ancestral tree to see if we can possibly get closer to human nature as exemplified in the past. Undoubtedly, as the twig is bent, so is the tree inclined. Therefore we cannot hope to register all the foibles and follies and many of the heart-breaks that are part of the history of the human family, but we can refer shortly to some.

I know that I speak with understanding of all agriculturists when I say that Adam was an agriculturist, because in my family bedroom as a boy I saw a picture of Adam tilling the soil. That is truth enough for me. There he was on his primeval farm, living in the lap of luxury, his ways cast in pleasant places, tilling the fine alluvial soil tax free and also free of mortgage. Yet was he not satisfied. There was shown one of the first aspects of human nature which has been handed down to posterity—dissatisfaction.

However, Adam is not the only one whose mental facilities slipped at a crucial moment in history. History is replete with the names of those whose fame and fortune have turned to ashes or Dead Sea fruit through an ill-timed word or an unfortunate gesture that by the grace of God I hope to avoid today. Lot's wife wanted a second look. Nero took his music lesson at a most inauspicious time. Esau sold his birthright for a mess of pottage. Peter the apostle played with the truth. Judas Iscariot sold his Master for thirty pieces of silver.

In more recent days we have other rare examples. There is Mr. Asquith's policy of "wait and see." We have Count von Bethmann-Hollweg's "scrap of paper." There have been many examples, and the plot thickens with respect to human nature. The family is the backbone of this country today, and always will be.

It was not long before Adam and Eve found that they were not in complete possession of the garden of Eden. For was it not ordained that there was certain fruit of which they should not eat? This they did, however; and here enters stark tragedy in the form of expulsion and foreclosure. The things we have not and cannot get are still in this day the things that mankind desires most.

We pass on and come to Cain and Abel. Cain was an agriculturist, Abel the shepherd. Why do we stand aghast in the world today when one nation flies at the throat of another, as a result in many instances, no doubt, of overcrowding and lack of commercial trade expansion, when at the very beginning of time we witnessed this sorry spectacle of fratricide, arising out of petty jealousy because Abel's offering was more acceptable than that of his brother Cain?

The storm centre of civilization now shifts from the valley of the Euphrates and the Tigris to Asia Minor, and we find what remains of our illustrious ancestors perched high on Mount Ararat. We cannot follow, in the short space of time allowed to us, all the vicissitudes of the human family of that day, but we shall endeavour to catch a few highlights in the revolving sphere of human endeavour and human relations.

First there was Moses, the great teacher, the author of the Mosaic promulgations which are still adhered to by millions of people throughout the world. His teachings still stand the light of criticism, and suffer not at all in comparison with any other.

Then came the intellectual giants, Socrates, Pericles, Plato and Aristotle. These were men of overwhelming capabilities and mental activity. I know most hon. members will

recognize what used to appear in the early school readers when I quote:

By Nebo's lonely mountain,
On this side Jordan's wave.
In a vale in the land of Moab,
There lies a lonely grave.

And no man knows that sepulchre,
And no man saw it e'er,
For the angels of God upturned the sod,
And laid the dead man there.

These intellectual giants seem to come in groups. When they depart the earth is desolate, but sooner or later another group appears and once more intellect blooms like the rose of Sharon. Whether the intellectual giants produce the golden age or the golden age produces the intellectual giants is debatable. However, during the Socratic period we had a stellar aggregation of intellects which caused Byron to write:

Of the three hundred grant but three,
To make a new Thermopylae.

Then let us move the clock forward another thousand years or so to the glory that was Rome. Standing head and shoulders above his contemporaries was the mighty Michelangelo. His first great work in Rome was the Pieta, which depicted Mary the Mother supporting in her arms the body of Christ just after it has been removed from the cross. It created a tremendous sensation; thousands have flocked to admire it. His next great work was in the chapel of the church in Florence, which is so well known. While speaking of Michelangelo we cannot forget his work in the Sistine chapel, which stands as a memorial to his great achievements, skill and capacity, a monument to the true principles of Christian philosophy and Christian belief.

Such is a kaleidoscopic review of a few of the famous men of history. In making a critical analysis of their lives one fails in many instances to discern the chief element in their makeup which has marked them for fame.

I return now to the reference I originally made to an address delivered a few days ago by the hon. member for Lake Centre (Mr. Diefenbaker). Who knows but amongst the members of the house, whether new or old, we may be sitting with, co-operating with, or fighting with some potential genius of the next five, ten or fifteen years? Therefore I bring those instances to the attention of the house because I believe there is something dynamic in the past that points the way to the future, and that if we are really cognizant of humanity's foibles, from which it has recuperated in the past, and its triumphs, we can go forward with greater courage and with a greater sense that we are going to be able to contribute something to the welfare of the individual and collective membership of the house, not only on the government side but in all groups represented in the first session of the twenty-first parliament of Canada.

It is with these ideas, Mr. Speaker, that I leave the thought with you that, whether or not we come down here determined that we are going to turn democracy upside down overnight, we have to be cognizant of the lessons of history. From the time of Adam down to the present there have been outstanding examples of men who have risen above any potential discouragement, any inhibiting factors in their way that might in any way have barred, hindered or impeded their progress toward greater things. I close on this note. I believe that, in spite of any minor frustrations that we may face either individually or collectively, we, like those who have gone before, will be able to rise triumphantly above them and contribute something to the greater development of the Dominion of Canada for all the people of Canada, for all electors, whether they have sent members to the government side or in support of the opposition. Through our endeavours we will leave our mark in and contribution to the future progress of those yet unborn in this vast dominion, from the Atlantic to the Pacific.

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, my first words are very pleasant ones to me, as they are words of congratulation to you on your elevation to your very honourable position. I have known the hon. member for Brantford (Mr. Macdonald) since he came here in 1935. I have always had a high regard for his fairness, reasonableness, and modesty in dealing with the matters that came before the house. I hope he will enjoy his position, and I rather think, from what has happened earlier in this debate, and the sweet reasonableness of the official opposition, that he is going to have a very easy time of it. I hope, however—and there are signs that my hopes will be realized—that not all sections of the opposition will lessen any of the normal activities of opposition members just because the electorate, perhaps in a fit of aberration, elected the government with a very large majority.

It is a fact that the government has a large majority, and as a believer in the principles of democracy I accept the verdict of the people; but I only accept it in so far as the government has been elected with the rights and responsibilities of government. What I want to point out, not only to the opposition, but also to the members on the government side of the house, and those members of the

government on the opposition side of the house, is this. All that the election settled was the majority that the government received. All the problems that were facing us when we left here on the 30th of April last are still present with us and still have to be solved.

Let me point out that the cost of living, which has been one of the important subjects of debate in the house for two or three sessions, is still going up, and is now at an all-time high. That means that many of our people are sinking deeper and deeper into poverty at a time when the country is wealthier than it ever was before. The housing situation, which has been Canada's No. 1 headache since the end of the war, is worse than ever. I have before me a report of the housing association of my own city of Vancouver dealing with housing conditions in the city in 1949. This is what it says in part:

> At the beginning of 1949, the housing situation in Vancouver was worse than it had ever been. As a result of the continued influx of population (22,000 into the city alone in 1948) and in spite of the high rate of building, the city was 5,000 dwellings shorter of its requirements than it was at the end of the war.

That is a problem that the election did not solve, and while it remains the opposition must not remain inarticulate.

Then there is the question of unemployment, which is increasing and adding to the hardships of an ever-growing number of workers. As to the social services of the country, there is an inadequacy which is becoming ever more glaring. It is becoming increasingly more difficult for people past middle age to find employment, and there is nothing in the speech from the throne to meet that situation, or to ameliorate their distress. Then I would mention one other item, foreign trade, which was discussed this afternoon by the hon. member for Kamloops (Mr. Fulton). There our position is daily becoming more precarious.

These are only some of the problems which were with us during the whole of the last parliament and which the election did nothing to solve. It is very doubtful that the huge majority now enjoyed by the Liberal party will do anything to spur the government to greater activity. It has never worked that way before. It is far more likely that the large majority will lead to complacency and that the "social journey" will become an extended stop-over, at least until shortly before the next election. This, then, is no occasion for an excess of sweet reasonableness on the part of the opposition. As far as the party with which I am associated is concerned we shall always, Mr. Speaker, be reasonable, but you may not always find us sweet.

Now I want to deal with some of the questions which I said were not solved, questions which in an aggravated form affect the constituency I represent. Mine is one of the constituencies of the city of Vancouver. I am not going to say anything about its beauties, though it has its points. I will say that it is one of the most useful constituencies in Vancouver, because the great majority of its population are the people who do the useful work of the community.

Mr. Gibson (Comox-Alberni): I too was born there.

Mr. MacInnis: One thing I like about the constituency is that the hon. member did not stay there. Now a word about housing. This question will be before the house shortly in more definite form, and I shall merely touch upon it on this occasion. A few days ago the Minister of Reconstruction and Supply (Mr. Winters) made a statement on the government's housing policy; but if that is the only policy the government has got I must say it falls far short of what the situation demands. It is not a new policy, as the minister was careful to point out in the concluding paragraph of his statement at page 121 of *Hansard*, where he said:

> The policy as enunciated by the Minister of Reconstruction and Supply in 1946 is the keystone of our present policy; that is, the creation of conditions favourable to a large housing program by private individuals and companies.

I think I have shown that as far as Vancouver is concerned, at least, that policy is simply not working. We are now 5,000 family units shorter than we were in 1945; and if the policy is working more effectively in other parts of the dominion I have yet to hear of it. In addition there is less house building going on. For the city of Vancouver itself the decrease is forty per cent and for greater Vancouver thirty-four per cent, as compared with 1948.

If anything has been made clear beyond the possibility of a doubt during the past four years, it is that private enterprise will not and perhaps cannot provide homes for that section of the population which needs them most; that is, the people with low and moderate incomes, who generally have the largest families and who make up a majority of the population of our cities. The government guardedly admits that low-rental housing is necessary, yet its housing policy is principally designed to help those in the upper third of the income bracket, who can afford to buy houses. Until that policy is reversed and we set out upon a program of low-rental housing for those who cannot buy homes at almost

any price, we are not going to solve our housing problem.

That is not only my assertion. Every authority on housing and every organization that has investigated the housing situation has been emphatic in stating that the only solution to the problem is an extensive program of low-rental housing. I could bring authority after authority to substantiate that statement, but I shall leave that for another occasion. Private enterprise has never provided and never will provide homes for the poorer sections of the population. The slums that have existed in every city since industrialization began are proof of that fact. That is not only the case in Canada; it is so all over the world. In no country has proper housing been provided for a large section of the working class until the government went into the housing business. No less a supporter of free enterprise than Senator Robert Taft of the United States said in the Senate of that country not so long ago:

> While I am a great believer in free enterprise, housing happens to be in a field where it has failed. . . . There is no alternative to public housing to provide homes for those with low incomes . . . Under private enterprise the slum condition has continued without improvement . . . Those opposed to public housing have done their own industry a disservice by their indiscriminate and unreasoning opposition.

That is the statement of one of the high priests of private enterprise on this continent. As I said before, I shall have more to say on this subject when the amendments to the National Housing Act are before us, so I shall leave it at that for the present.

The next point I wish to make concerns old age pensions. It is a subject which I have discussed many times in this house, as many other members have. On a number of occasions I have moved resolutions concerning it, and yet it is one of the problems the election did not solve. Speaking the other day, the member for Vancouver-Quadra (Mr. Green) expressed regret that, when the amendment was made to the Old Age Pensions Act last session, the amount of outside income was not increased. I should like to point out to the house that the member for Winnipeg North Centre (Mr. Knowles) and I tried to have this point recognized at that time. I have *Hansard* for April 27 before me and it shows that after a series of interruptions by several members of the official opposition, we got the opportunity to show the minister that the ten dollar increase to old age pensioners would not be of much value if the amount of outside income was not increased at the same time. May I say that the member for Vancouver-Quadra was not one of the interrupters. I am glad to see that the validity of our contention is now admitted.

Prior to the increase an old age pensioner was permitted an outside income of $240 before the amount of his pension was reduced. With the increased pension, the amount the pensioner receives will be reduced if he has outside income of more than $120. As a matter of fact, it means that the old age pensioner must be indigent before any pension is received. In my opinion, this shows that we should take another step forward and eliminate the means test.

May I bring to the attention of the house another point in connection with old age pensions which I have brought before this house again and again? There should be some allowance for the wife of a pensioner when her husband receives a pension but she is not of an age to be eligible for one. If that is not done, what is happening now will continue. If there is no other income, and there can be very little, the husband and wife must exist on $480 annually. Everyone must agree that is not an income on which a couple can live in Canada with the cost of living as high as it is today. On the first of August the cost of living index reached the all-time high of 162·8; that is, the general index. On the first of July, the food index reached 207·2. The increase in the price of food caused the increase in the general index, and I believe it is somewhat higher than that now.

I should like to impress upon the members of this house that every increase in the cost of living lowers the living standard of all low-income groups; that is, of all who are not in a position, by their own efforts, to raise their level of income. It means that, every time the cost of living goes up a point, the standard of living of our old age pensioners goes down a point. Now that the government has this huge majority, that is something for them to consider and act upon.

The high cost of living is a question that has been before this house ever since the war ended. A parliamentary committee investigated it, and so did a royal commission. The reports of these bodies have been before the house and the cost of living is still rising, even though the market is becoming oversupplied with goods. Unemployment is on the increase. This proves that those who were telling us the law of supply and demand would take care of the high cost of living have been wrong in their calculations. The law of supply and demand no longer operates, as has been demonstrated by the investigations of the combines investigation commissioner. In certain important industries prices are set arbitrarily, and every effort is made to see that all members charge the same prices. The law of supply and demand does not operate freely in our economic life.

There is one other point upon which I should like to say a word. I refer to the

question of trade, which, whether one agrees with his conclusions or not, was ably discussed this afternoon by the member for Kamloops (Mr. Fulton). I did agree with his concluding remarks to the effect that there would have to be co-operation among the nations in this regard. I made my notes before I heard the hon. member this afternoon, and that was my conclusion. I believe it must be the conclusion of anyone who realistically studies the crises in world trade.

A few weeks before this session of parliament opened, the representatives of Canada, Britain and the United States met in Washington to discuss what was supposed to be Britain's dollar crisis. I said "what was supposed to be," because I think it has been admitted since the conference was held that that crisis is not one which affects Britain alone. It affects all the nations in the sterling bloc and Canada as well. It has become increasingly clear that the immediate crisis was not caused by anything which happened in Britain, but by what happened in the United States.

I have before me a copy of *Foreign Affairs*, a United States publication, October, 1949. The article to which I wish to direct attention is written by Professor John H. Williams, a professor at Harvard university. I would recommend his article to members of the house. It is worth reading. I do not agree with all of his conclusions, but on page 9, referring to the present depression in the United States, he says this:

> Our present depression is not large, by comparison with depressions of the past, and for us it will probably prove salutary. Yet—whatever the other considerations—it is certainly the main immediate cause of the present British crisis. It has depressed not only Britain's direct exports to us, but even more importantly the exports to us of primary products from the other sterling area countries the dollar earnings of which go to build up Britain's reserve. This in turn reacts on British exports to those countries; and it will be surprising if it does not also affect continental exports round the whole circle.

It should be noted in this country, and I think it was, that since the depression in the United States where a few weeks ago there were, if there are not now, some four million unemployed, as soon as unemployment began there was a curtailment of the buying of certain goods, mostly luxury goods, in the markets there. This of course resulted in a diminution in Britain's dollar reserves, and in turn Britain had to reduce her buying in the United States. The result of the Washington discussions was the devaluation of currency in the sterling area and a ten per cent devaluation in Canada. Personally, I do not agree that this is any solution to the problem. Devaluation will help those countries which devalue first. It will enable them to get an advantage in the market. But as long as our trade is based upon competition, each country in turn will attempt to get the better of its competitors, either by devaluing its currency or by some other means: hence the advantage gained by the first country will in time disappear.

About the same time as the Canadian-British-United States talks on the dollar crisis were taking place, another meeting was held in Washington. That was a meeting of the nations that signed the Atlantic pact. They met there for the purpose of co-ordinating their military defences or, shall I say, our military defences. In military matters we have already come down to the realization that co-operation is our only salvation. I now submit this thought to the house. If co-operation is necessary in military affairs—and I agree that as long as we have to build up our military defences, and we have to do that at this time, co-operation is necessary—how much more necessary is co-operation in our economic affairs. That is why I agree with the hon. member for Kamloops (Mr. Fulton), who said there would have to be co-operation in trade affairs. As a matter of fact, our trade difficulties are fundamentally due to the world's economic development. They are not due to what is done by this country or that country. What is done by the various countries to gain a trade advantage is a result not a cause.

Trade means the exchange of the things we have in surplus for the things we need. As a matter of fact, trade is more important to the country that must buy than it is to the country that must sell. That is why trade is much more important to Britain, who must buy her food, than it is to the United States, who would like to sell some of her surplus products. Trade is therefore important not only because we want to sell. It is twice important, because we must also buy. Trade is important to Canada because, if we cannot exchange our surpluses, our standard of living will fall materially. I repeat that trade difficulties are not fundamentally due to something that one country or another has done; they are due to the general economic development of our world. The fundamental obstacle to trade is the fact that too many nations are producing the same things and are trying to exchange them in a world in which there is no longer a market for them.

In conclusion, I should just like to say that we shall have to remember that the world does move, and that any attempt to go back to the old trading forms that have disappeared is an attempt to turn back the clock. And it will fail just as every attempt to turn back the clock in any other field has failed. Whether

we like it or not, there is therefore nothing left for us but co-operation in economic as well as in military affairs.

(Translation):

Mr. H. A. Gosselin (Brome-Missisquoi): Mr. Speaker, this is the first time I have the privilege of speaking in this house, and I do so with great pride.

My first duty is to join with those who have already congratulated you on your appointment to the speakership of the house; my second, to tell you that the constituency I have the honour to represent here is located on the United States boundary and adjoins the eastern townships.

My constituency is above all deeply concerned with industry and agriculture, as also with all the great principles on which the progress of the country is based.

Brome-Missisquoi county is made up of French - speaking and English - speaking Canadians. I am the spokesman of both, undiscriminatingly. For years, we have quite successfully maintained friendly relations between these two elements. Unity exists among them; we are convinced that a country's greatness is based upon mutual understanding. We feel that proof of this was furnished during the last electoral campaign, for the honour and welfare of Canada.

The success obtained by our soldiers overseas is due to mutual understanding and devotion to those great principles that go to make up unity. The extent of Canada's effort was shown by the quality of her military personnel and the untiring labour of those who remained behind to produce weapons for our men overseas.

Mr. Speaker, in my constituency may be found all that tourists may wish for in the way of mountains, valleys or wide open spaces. The main highway takes them through mountains and plains where dairy farming is the main pursuit, coming immediately before agriculture. Our green fields, great orchards and vast sugar bushes remain forever impressed on their memory, so much so that their one wish afterwards is to return to us.

I am proud to tell the members of this house that I am a farmer. Having been in the employ of the Canadian Pacific Railway for several years, I may say however that Canada has a railway transportation system, for freight and passengers, which offers advantages and resources that can only help to make Canada a great country. I might say that Canada has the best transportation system in the world, considering the population of the country.

Our agricultural class is definitely well developed. Western Canada grows wheat but in eastern Canada the dairying industry is foremost. Those two branches of agriculture are for us a guarantee. In fact, the farming population is the fundamental basis of a country's prosperity. It is a financial guarantee and a protection for the people since it provides all their needs. I believe it is my duty to request the Minister of Agriculture (Mr. Gardiner) to carry on his useful work on behalf of our farming population and to provide the required incentive so that our young men may be interested in remaining on the land of their forefathers; otherwise our young people will be driven to the cities, which will spell disaster. It is imperative, as I said, that the Minister of Agriculture should continue his admirable work, so that the farmers will not be neglected and that they may have every possible inducement. It will be the only means of keeping our young people on the land. Failing that, they will migrate to cities, abandoning the family farms. I am happy to say that the farming community is made up of proud people, ready to ensure the plentiful production on which depends our survival as a people.

If every possible help is given to them, the farmers will be able to produce much more, and sell a much larger quantity of products, which will enable them better to balance their family budgets.

I have often been told, Mr. Speaker, that the agricultural class are not prosperous. I do not share that opinion. On the contrary, being myself a farmer, I note that they are prosperous. However, they will continue to be prosperous in so far as they are ensured and guaranteed a reasonable remuneration for their work. Otherwise the agricultural class will disappear, which will spell great disaster. May I say again that we have to give that class some guarantee by granting subsidies, building warehouses where our products can be stored, and sparing it from excessive taxation. We also have to guarantee the farmer prices at least equal to his production costs.

I know that the Minister of Agriculture has taken the necessary steps to build these warehouses all over the country. On behalf of the constituency I have the honour to represent, I also wish to congratulate and thank him for having undertaken various projects in the east.

In our farming district of eastern Canada, various people connected with the sale of dairy produce are sacrificing our goods to the canning industry. I know that the minister is investigating the sale of these products in order that our farmers may face a brighter future.

There is a disease which is proving most harmful to cattle in every province. The

number of animals that have died of Bang's disease has greatly increased. Our exports have therefore been reduced. We must at all costs curb this evil.

I hope that the minister is already taking steps to prevent that disease, for instance by having our young cattle vaccinated, as is done for the control of tuberculosis.

Before concluding my remarks in French, I wish to congratulate the Minister of Agriculture on the excellent results of the method inaugurated since he took over the administration of that department. He has taken a keen interest in the farming population and I am delighted to note that he is doing everything in his power to protect our farmers.

(Text):

Mr. Speaker, it is an honour for me to speak for the riding of Brome-Missisquoi, which is situated in the province of Quebec, and in doing so I believe it my duty to express my congratulations to Your Honour upon your elevation to the chief office of this assembly.

My next duty is to refer briefly to the riding which I have the honour to represent. The riding of Brome-Missisquoi is situated on the state borders of Vermont and New York, and it also borders the eastern townships. As other hon. members have said of their ridings, I submit that Brome-Missisquoi is the most beautiful riding in the Dominion of Canada.

The beautiful lakes of this district are a great attraction to tourists. A large percentage of the population is engaged in agriculture and there is also a considerable industrial population. The Green mountains of Vermont extend up into Brome-Missisquoi. On the slopes of these hills are to be found many flourishing apple orchards, and I think we can compare their product with those of any other province.

We want the products from Quebec to be as well known in all markets as those from other provinces. We must strive to produce products which grade No. 1, in order that they will be in demand in the European and other markets. The only way that we can induce foreign countries to buy from us is to produce No. 1 grade.

I was most interested in following the speech from the throne. The speech indicates that it is the duty of all hon. members, regardless of politics, to play the game with sincerity so that Canada will continue to prosper and grow. We have a beautiful country with immense natural resources. We have all that is required to make Canada one of the largest and best known countries in the world. We are able to produce sufficient for our own needs, with a surplus for export.

It is the duty of every one of us to consider the future generations. If we default in applying our full energies we shall be lacking in our duty to those who come after us. They will say, "Our fathers neglected to benefit by that which Providence put before them for the good of future generations."

Our men fought gallantly during the last war and the one before. They fought with all their energy and confidence in the belief that they were making possible, in Canada and the other countries which were allied with us, the practice of those principles of liberty and unity which are the only guarantees for the future and the only principles that will ensure prosperity for everyone in Canada. There is the principal basis of the speech from the throne delivered by the governor general. He has asked the house to consider these matters with all our sincerity and all our energy in order to safeguard the welfare of our population in the future, so that Canada may continue to grow and increase in the understanding which, if I may repeat, is the present guarantee for the future.

During the war our soldiers demonstrated the unity of Canada, and in that unity lies the assurance and guarantee for any commercial enterprise. In the speech from the throne the governor general asks us to consider ways and means of maintaining this guarantee for our future. As everyone knows, we have advanced a century as a result of developments arising from the energy and spirit of our war effort. I have no doubt that all hon. members will give to every measure that comes before parliament the most careful consideration, without regard to politics. We are not here to talk politics; there are appropriate occasions for such discussions. We are here to discuss principles and to submit ways and means of carrying out those principles, so that we may prove to the world that Canada is still growing, and, with its energy, its devoutness, and its prosperous younger element, will continue to grow.

I should now like to state what I believe are the fundamental bases of the prosperity of our country. I will not attempt to deal with financial matters. I have followed with pleasure what other hon. members have had to say on that subject, and I congratulate them. Many members have stated their views on the financial situation, foreign exchange, and so on, but I will not attempt to follow them.

I believe it is my duty as a farmer, and also as one who was a railroad man, to congratulate our transportation companies on their own efficiency and the efficiency of their equipment. Comparing other countries

with Canada and its small population, I believe that our transportation facilities and equipment are far above those of any other country in the world. Our transportation companies are doing their best to provide rapid freight and passenger service and to furnish passengers with every comfort. I feel that we can depend upon them.

Speaking as a farmer, I believe that the Minister of Agriculture (Mr. Gardiner), and former ministers, have recognized that in that industry is the basis of financial security in every nation of the world. Under all governments, farming is the guarantee of finance. We often hear it said that the farmer is the king of the land. As a farmer, I assure hon. members that, though we may feel like kings, we are kings who must be on the job if we want to be successful. The farmer works twenty-four hours a day. He is tied to his duties all the time if he wants to be successful. As farming is recognized as the basis of success, I believe it is the duty of the government to give farmers all the protection that is necessary in the disposal of their products, and create markets in different countries, so that surpluses may be sold. The government should see that a proper refrigerating system is provided for the products of the farmer, and should also protect him in every possible way so that he may improve production.

I have listened with great interest to hon. members who have talked about the farming situation in the west. If I understand them correctly, the western provinces have applied to the government for protection for their grain. I believe that is their duty, and I congratulate them; but I also believe that in the east, where farming is carried on on quite a large scale, the products of the farms should be protected. The people of the east and the people of the west must work together on the principle that unity is essential to success in Canada. We must produce as much as possible in order that our quality products may find their place in the markets of the world. Quality is necessary in order to meet competition. We know that in the European markets our products are regarded as of superior quality, but we must preserve that quality. This applies as well to other products which we sell in European markets. All Canadians wish to continue that policy.

In the east our land is depreciating gradually. The Department of Agriculture should provide the necessary chemicals at reduced prices so that every farmer who is interested in the future of the soil may obtain the best results from the work that he and his family do on the land, and may be encouraged to remain on the soil. I know that the Minister of Agriculture has already studied ways and means of improving the production of dairy commodities and of giving further assistance.

We in the east who are interested in dairying have found that Bang's disease is increasing among our cattle; and I believe this condition exists also in certain parts of the west. This has affected me personally, along with many other farmers, because the United States will not permit the importation of animals suffering from this disease, animals which in French are known as contaminés.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but he has exhausted his time. He may continue if he has the unanimous consent of hon. members.

Some hon. Members: Go ahead.

Mr. Gosselin: I have just a few more words, if hon. members will permit me. I believe everything possible should be done by all those concerned to control and eventually wipe out this disease, which is affecting the revenues of our farmers and also causing them a great deal of discouragement.

Finally, Mr. Speaker, may I say that I have every confidence that all members of this house will co-operate to make this session of parliament one of unity and good understanding, adopting principles which will promote the welfare of both the present and future generations.

Mr. G. R. Pearkes (Nanaimo): Mr. Speaker, my first desire is to join with those others who have expressed to you their congratulations upon being elevated to the position of first commoner in this dominion. My pleasure at your appointment is enhanced by my recollection of the gallant service you rendered with the Canadian expeditionary force in the first world war.

Today I wish to offer a few comments on the paragraphs in the speech from the throne dealing with national defence. I am sure hon. members of this house and indeed everyone in this dominion will realize with profound regret that it was necessary for a grave warning to be given in the speech from the throne that the hopes for peace and security held out some four years ago have not yet been realized, and that the menace of communism remains with us. However, there will be some measure of reassurance in the promise that this government will pay special attention to the development of research, and that it is the intention of the government to provide the forces with the most modern equipment suitable for present requirements. Members of this party have always endeavoured to adopt a realistic point

of view on this question of national defence, and I can assure the government that we shall support every effort that is made to supply the forces with that modern equipment the possession of which is so essential to the fulfilment of their great tasks.

Our needs in connection with defence, both as a separate nation and as a signatory to the North Atlantic treaty, have been called to the attention of the house. There is also reference in the speech from the throne to the unification of the services that has taken place already. Rather glowing terms have been used to describe the progress that has been made in this respect. It is a step in the right direction, but so far only the first step has been taken. Old prejudices die hard; and while unification is taking place in regard to the young entries into the services at such points as Royal Roads and Royal Military college, still there is room for much further development along these lines. There has been some unification among the administrative services; yet in the higher ranks, in the realm of command and in organization, we still have three distinct services.

Events which have transpired since the speech from the throne was read have emphasized, if anything, the importance of national defence at the present time. I refer, of course, to the meeting of the North Atlantic council at which representatives of Canada were present, and also to the statement in this house last week by the Prime Minister (Mr. St. Laurent) in connection with the announcement by the President of the United States that an atomic explosion had taken place in the U.S.S.R. It would be interesting to learn whether any of the scientific instruments in our observatories and other scientific centres across the land were able to pick up any echoes of that explosion. I do not think it is beyond the realm of possibility that some of those faint earth tremors recorded last summer may in fact have been the actual results of the explosion which took place in Russia. We have no indication of the date of that explosion, but it is hardly likely that it was a very recent occurrence. There is no reason why scientific instruments could not be developed, if indeed they have not been developed already, which would be able to detect such explosions.

As far as the North Atlantic council is concerned, there is no doubt that soon they will be able to determine the roles the various member nations must play within the broad framework of the defence pattern they are drawing up. According to that pattern it would seem that our contribution might consist in the provision of a strong anti-submarine fleet on both oceans; a limited number of fighter and transport squadrons of the R.C.A.F.; and the maintenance of an airborne brigade of our active army, backed up by a limited number, perhaps four or five divisions, of the reserve army.

As I mentioned, there is a reference in the speech from the throne to the defence needs of Canada as a separate nation. The changes which have taken place within the last few years in the realm of national defence have made it quite clear that, in the event of a third world war, Canada might become a theatre of operations. In recent months considerable attention has been paid to the northern approaches to our country. We have heard descriptions of the extended network of radio and wireless stations which have been established in co-operation with the United States along our northern frontiers.

During the latter months of this summer Exercise Eagle was carried out in the northwest part of our country. This provided an opportunity to study counter-attack methods which might be employed if an enemy made a lodgement on one of our airfields in that part of our territory. In the far west there is a scattered chain of airfields which link Alaska with Canada. The great airfield at Whitehorse is by far the most important link in that chain. The distance from Whitehorse to the Pacific ocean, from which aircraft might be launched from some carrier or even from the fringes of Siberia, is not very much greater than the distance between that airfield and the city of Vancouver or the city of Winnipeg. The distance can be flown within a comparatively few hours.

Exercise Eagle was carried out with a very realistic background. It is possible for an enemy to land airborne troops in that great airfield of Whitehorse if it is not defended. So far as I know there is no ground defence for that airfield today. It is available to any aircraft that may arrive at Whitehorse. During the war it was considered desirable to establish special air defence units consisting of a small highly trained group of men who would be capable of dealing with any parachutists arriving at that field. There were anti-aircraft guns which would have acted as a deterrent to hostile aircraft that might be tempted to land. No such provision is made today. There are no anti-aircraft guns or airdrome defence units at Whitehorse. In this case an ounce of prevention would be worth a pound of cure, as the old adage says.

The country was shocked by the reports which were published by experienced war correspondents who had witnessed Exercise Eagle. They described how the attacking

force was able to hold off the counter-attacking troops, known as Can. Force, which were supposed to represent our troops sent to restore the situation. I do not become unduly alarmed because an exercise discloses certain weaknesses. These exercises have always been so arranged that lessons may be drawn from them. These experiences show whether the equipment provided is adequate, or the training of the troops is such as will meet the particular situation depicted in the narrative leading up to the exercise. There would be no point in having these exercises if there were no lessons to be drawn from them.

As I say, the country has been disturbed by these reports. I hope the Minister of National Defence (Mr. Claxton) will take the first opportunity of reassuring this house and the country that any errors which were disclosed or deficiencies which were noticed are being corrected and will not be continued in the future. In particular, I would ask him to assure us that the training of the whole airborne brigade will now be accelerated. This was the first battalion exercise carried out by the one battalion of that brigade which has had any serious training in airborne tactics. Will he give assurance also that the shortages in equipment which were reported, the shortage of parachutes, the shortage of jumping suits are being remedied? Will he assure us also that the right type of aircraft is now being provided both for the fighter squadrons that might accompany such a counter-attacking expedition as was visualized in this exercise and for the transport equipment with the special provisions required for efficient parachute jumping?

There is the additional question of radar sets. I was pleased to note in a report tabled by Canadian Arsenals Limited the other day that developments are taking place in the No. 268 marine set. I hope a similar adaptation is being made so that that set or some other set may co-operate with these mobile forces upon which Canada will depend so much should a raid be made upon our northern frontiers. I come from the Pacific coast, and I may say that we are anxious about the western approaches to our dominion.

Many of the forts which have been established to protect our harbours now have their guns dismantled. The old fifth British Columbia coast regiment of artillery has been changed into a heavy anti-aircraft regiment. I believe that consideration is being given to the reorganization of that regiment. I hope that reorganization will be proceeded with so that there will be personnel from the reserve army available to man those forts should they be needed again. Our aerodromes and airfields are few and far between, having regard to the extent of our territory. We are anxious about those approaches. Those approaches must be watched. I think it is therefore high time that a special plea should be put in now for the stationing on the Pacific coast of the second aircraft carrier, a sister ship to H.M.C.S. *Magnificent*, which is stationed mainly on the Atlantic seaboard. Such a vessel would be able to co-operate with the anti-aircraft school of artillery located at Esquimalt. It may be comparatively easy to borrow a submarine, but it will not be so easy at a moment's notice to borrow an aircraft carrier.

This summer I had the opportunity of inspecting one of the United States coastguard cutters which was visiting our harbour of Nanaimo. Those United States ships are used mainly for watching the approaches. They are stationed from five hundred miles to one thousand miles out in the Pacific off the coast of Oregon but a gap exists between those ships stationed off the coast of Oregon and the Aleutian islands in the north. The vessel I inspected was a magnificent one, fully equipped with the latest radar and radio apparatus. One of its functions in peacetime is to plot the route of all aircraft passing within range of its instruments. By that method it was able to report, to an aircraft which might have lost its direction, its exact location. It had the means of assisting in air rescue work at sea. Amidships of that vessel was a huge compartment in which the weather balloons could be blown up and from which they could be released, enabling reports to be made upon weather conditions in the Pacific. Those meteorological reports of course have great value in peace or in war. I say a gap exists between those watchers of the approaches from the Pacific off the Oregon coast and the Aleutian islands. The time has come when we can no longer depend solely upon the United States, not only to provide the information which they send in with regard to the weather and planes which pass over them, but also for the services they continually render in saving lives and saving our ships at sea.

In this gap there is also a shortage of aircraft to report upon the approach lines. It is beyond my comprehension why there are such great delays in authorizing the auxiliary squadron of the R.C.A.F. at Victoria. For years now, representations have been made from the southern portion of Vancouver island from young men of the finest possible type who wish to serve voluntarily in such

an auxiliary squadron. Years are going by and these men are beginning to lose heart. They are wondering whether a squadron will ever be authorized.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

Mr. Pearkes: Mr. Speaker, when the house adjourned for the dinner recess I was speaking about the lack of support which had been given to the formation of the auxiliary R.C.A.F. squadron at Victoria. These auxiliary or reserve units were in previous years the medium by which the miracle was worked whereby great masses of citizens from Canada were welded into military formations and were able to make so grand a contribution to the successful conduct of the first and second world wars.

It was the willingness of innumerable Canadian citizens to give up their spare time, their holidays, and their evenings in order to learn voluntarily the rudiments of military science, and something by way of a smattering of the art of leadership, that enabled them in the hour of crisis to develop those great masses of Canadian citizens who came forward into, as I said a moment ago, a really effective fighting force.

I feel the time still continues when every possible encouragement should be given to our non-permanent sailors, soldiers and airmen; and I regret it has not been possible for the government to encourage those young men from the southern part of Vancouver island, who are anxious to continue their service in the auxiliary arm of the R.C.A.F.

The government has given greater encouragement to the reserve army units than was ever given before. I say it is imperative upon the government to see that the policies which they have enunciated regarding the effective training of the officers and non-commissioned officers of those units are carried out to the letter. Before the last war, and for a number of years, the non-permanent units of this country were kept alive through the work done by the corps of officers and non-commissioned officers in those units. It is important that every encouragement be given to them to train along up-to-date lines. I believe encouragement is being given, but in some cases there is a tendency to emphasize the importance of recruiting, administration and keeping alive the traditions of the various units rather than going ahead with effective and up-to-date training.

In connection with the anxiety felt on the Pacific coast regarding the state of our defences there, as may be felt in other parts of the country as well, it was only a couple of years ago that Major General Worthington was appointed director and organizer of the civil defence of this country. If, as I claimed earlier in my remarks, Canada is in a position where it might become an active theatre of war, if war broke out again, then the importance of civil defence is such as has never been experienced in this land before. Some two years have elapsed since that appointment was made. I hope the minister will be able to tell us what progress has been made along these lines.

I have heard some talk about the importance of standardizing fire-fighting equipment. Unfortunately the fire departments of the various cities find their equipment is not co-ordinated. The result is that frequently when a fire occurs the fire brigades from neighbouring towns are unable to assist because their hose reels are not of the same standard or same make or size as those in the town where the fire has occurred. That is one direction in which it is imperative that some action be taken.

Also I would suggest that, in so far as the training of medical service is concerned, thought might be given to the type of casualties and injuries which might occur should this country be subjected to some modern form of attack.

I believe that in the majority of reserve units recruiting is going reasonably well. I would put forward one suggestion, however, namely that as a result of the extension of the franchise at the last general election many new groups of Canadians have now been brought within the realm of full Canadian citizenship. I feel those new groups should be encouraged to assume their responsibilities in every branch of citizenship.

On the Pacific coast we have thousands of young men of East Indian origin, their forebears having come from India, or from what is now called Pakistan. They come from martial races. These young men, born in Canada, have inherited those qualities of loyalty and courage which were so marked among the Hindus and Sikhs in the various units of the Indian and British armies. I hope a definite effort will be made to encourage these new Canadians to join with our defence forces. I know of no means whereby communism among the ranks of those men could better be combated than by having them assume the full responsibility of citizenship.

Only a few days ago I was advised that the Royal Humane Society in Canada had seen fit to recognize a young Hindu boy who had been responsible for saving the lives of two other boys in lake Cowichan. He is the son of Bal Singh, an East Indian resident of

Vancouver island, who served during the first world war, and is now an active member of our branch of the Legion.

I mention that only to show that these Canadian-born East Indians have inherited the qualities of courage and valour and loyalty which made their sires so famous in the annals of the military history of the British empire.

In closing, I should like to say one word with regard to the veterans of this land, the old soldiers. Since the opening of the session we have heard that the pound has been devalued. I was pleased to hear the Minister of Veterans Affairs (Mr. Gregg) say that those veterans who are drawing an imperial pension, and at the same time have that pension brought up to Canadian standards by a supplementary Canadian pension, will have that supplementary pension increased so that they will not suffer from the devaluation of the pound.

Of course there are still hundreds, perhaps thousands, of imperial ex-servicemen in this land who are not qualified for that supplementary Canadian pension. If they are drawing a pension from the British ministry of pensions, that pension is pitifully small now. I believe I am correct in saying that a widow's pension is 45 shillings a week, which, before devaluation of the pound, would have been somewhere in the neighbourhood of $9 a week. Now it is less than $7. It is pretty hard for a hundred per cent disabled pensioner, or the widow of a service man, to exist with a reasonable standard of living on that small pension. I do hope that something will be worked out, either by an extension of the War Veterans Allowance Act or by agreement between this government and the government of Great Britain, whereby our comrades who served with forces other than Canadian forces will be able to maintain themselves and their families in a position which is not infinitely inferior to that in which this government permits Canadian ex-servicemen to maintain themselves. Of course I am referring only to those veterans of the imperial forces who have lived for a long period in this country.

Mr. Jean Lesage (Montmagny-L'Islet): Mr. Speaker, may I first of all congratulate you upon your election as Speaker. Your knowledge of parliamentary law, your distinction and your dignity designate you for the high office to which you have been elected. The applause which marked your acceptance of your position demonstrated the unanimity of satisfaction which existed in the hearts of all of us.

(Translation):

I wish also to pay tribute to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply. Their reputation had preceded them in the house. Living up, from the very start, to such a reputation, which was quite definitely to their credit, is always a risky job.

They have discharged to the general satisfaction the responsibility devolved upon them by the government. I am sure those two very eloquent speeches are but a foretaste of their active and intelligent participation in the debates of the house.

I am well acquainted with the member for Nicolet-Yamaska (Mr. Boisvert). After hearing him, I felt proud and happy to be a fellow citizen of his and his colleague at the Quebec bar.

I also wish to pay tribute to the head of the government who undoubtedly has won the most brilliant personal victory any head of government has ever won in this country.

The right hon. Prime Minister outlined his platform in the remotest areas of the country. He made himself known to all Canadians and advocated a doctrine of Canadian patriotism and national unity.

I also wish to pay my respects to his charming and gracious wife, a charming and distinguished first lady, who accompanied him. He won the heart of every Canadian and rallied nearly everyone to his policies. He can now vigorously lead the Canadian people to an even brighter future.

May I be allowed at this point to raise a question which I would have preferred to bring up in the absence of the Prime Minister, but which I wish nevertheless to discuss. If heretofore, because of special circumstances, an official residence for the Prime Minister was considered unessential, surely the situation is now such that this lack should be remedied without further delay.

When Canada receives distinguished visitors, the Prime Minister as such has no home in which to welcome them, while ambassadors have all they need to honour not only foreign visitors but Canadians also. Abroad, in every capital city of the world, Canada is in an excellent position to entertain these guests. We should therefore provide our first citizen and his distinguished lady with what is needed to enhance the prestige of the name Canada and of the Canadian capital. It would, of course, be easy to appeal to the generosity of the public; I have no doubt that the funds required for the purchase of a suitable residence would immediately be

forthcoming. I feel, however, that every Canadian should participate in the offer of a house which our Prime Minister would occupy in his official capacity, and which would then be at the disposal of all future Canadian prime ministers.

As we shall see, Canada is well on the way to self-government. National pride therefore makes it imperative that we provide the Prime Minister and his wife with an official home where, henceforward, they may entertain important guests.

With the hearty commendation of the house, I therefore beg the Minister of Public Works (Mr. Fournier) to include without further delay, in the supplementary estimates that will be brought down this autumn, the sum required for the purpose I have just outlined.

Mr. Speaker, extremely interesting proposals, from the constitutional and legal viewpoints, are to be found in the speech from the throne. Last Friday, those proposals were explained from a constitutional point of view by the Prime Minister in the following words, and I quote from page 197 of *Hansard:*

> From time to time modifications have been made in provincial constitutions by those who had the authority and were concerned about them, and no one else was consulted or had to be consulted. What is forecast in the speech from the throne is that there will be an application to the parliament at Westminster to say that such amendments to the Canadian constitution as do not affect the jurisdiction of the provinces, or the rights or privileges secured to the provinces, or the minority rights I referred to previously, can be made here in this parliament instead of being made in the parliament at Westminster on motions or addresses adopted by this parliament. That is the only purpose and effect of the measure forecast in the speech from the throne. But that measure would leave to the courts the responsibility and the burden of deciding what is within provincial jurisdiction or constitutes a provincial right and what is of concern only to the federal authority and their decisions will be binding as they have been in the past.

The right hon. the Prime Minister mentioned in his speech that since confederation, on ten separate occasions, addresses have been forwarded to the parliament in London by this parliament, with a view to amending our constitution. Never did the parliament at Westminster refuse to accept these addresses and to amend the Canadian constitution. Yet the provinces were never consulted in any one of these cases and the British parliament simply approved the proposed amendments in the manner of a formality. Experience has shown that it will refuse none of this parliament's requests for amendments to the constitution. Who would dare suggest that this can change now?

This situation has come about in practice as Canada acquires in the world an ever-increasing importance, not only in the economic field, but on the international scene. That is why, as a matter of fact, the Prime Minister, a year or two ago, expressed the fear that the parliament at Westminster could, in the manner of a formality, approve an address from this parliament requesting, for instance—that is the example he chose—that section 133 of the British North America Act be abolished.

In practice, the present position is that the federal parliament, I repeat, may ask for and obtain any amendment whatsoever to the constitution. But the speech from the throne, Mr. Speaker, suggests that we, ourselves, limit the powers granted the Canadian parliament through constant practice. In fact, this approval by the British parliament has become a mere formality. The Prime Minister has suggested that in the future the law should take precedence over practice and absolutely guarantee the rights of the provinces and of the minorities. The law would state that the federal government shall be free to amend the constitution within the realm of its exclusive jurisdiction and that each of the provinces is free within the realm of its exclusive jurisdiction. But the federal government may not now amend the constitution in matters pertaining to the rights of minorities and the rights of the provinces, in matters concerning only the provinces or in questions of mixed jurisdiction.

Thus, for instance, the field of direct taxation is a field of mixed jurisdiction where both the central authority and the provincial legislatures can operate. The prime minister of the province of Quebec expressed certain fears on that subject. Now, Mr. Speaker, parliament will not be able to amend the constitution with respect to that field, and Mr. Duplessis will certainly have the chance to discuss the question and to assert the needs of the provinces at the conference he has been invited to attend by the Prime Minister of Canada, in order precisely to come to an understanding on the possible means of amending the constitution, in a way satisfactory to all parties, in fields of mixed jurisdiction, such as direct taxation.

Therefore, the law will henceforth tell the parliament at Ottawa that it can amend the constitution only in matters coming under its sole jurisdiction. And as that will be written into our statutes, the party that deems itself injured will be able to appeal to the tribunals, whereas up to now a province which believed its rights had been encroached upon could

not appeal to the tribunals as long as the proposed amendments had been ratified by the British parliament. Thus the provinces gain an additional right.

All things considered, far from being an encroachment upon provincial and minority rights, such a reform constitutes a further double guarantee, based on law and justice. Indeed, the written law will replace a constitutional practice fraught with danger for the minorities and the provinces. Efficient legal remedy will be afforded to minorities and provinces if they believe that their rights have been infringed upon.

It is perhaps on account of that new remedy that most objections have been and are still voiced against the abolition of appeals to the privy council. Last year, during the discussion on a bill introduced by Mr. Jaenicke, I went fully into that matter. I maintained that the privy council was a political court, that its members were politicians and that they had not the independence which our supreme court judges enjoy. I claimed that the members of the privy council are not familiar with our customs and that, in the last analysis, the members of the supreme court are more qualified to mete out justice and equity to Canadians than are the members of a court which sits outside this country. I also went at length into the jurisprudence of the supreme court and the privy council on constitutional cases, and I came to the conclusion that past experience proves, beyond any doubt, that the supreme court affords more safeguards than the privy council as regards the protection of minorities and the defence of provincial rights.

Moreover, let us not forget that, through the bill which is now before the house, the supreme court will now be composed of nine judges, three of which will be from the province of Quebec. That constitutes an extremely important additional guarantee for the rights of minorities. But after all what counts most is that, thanks be to God, my country's courts are second to none, as far as the judges' integrity is concerned. Breaches against justice, and when I say justice I mean justice, have perhaps brought many Canadian citizens to believe that such a virtue tends to disappear. Claims held in totalitarian countries to the effect that might is right have perhaps shaken faith in justice. But I can assure my fellow citizens that our magistrates have that virtue of justice engraved in their hearts and wish to give everyone his due, whether individuals, corporations, municipalities, provinces or central government are concerned. They are fully aware of their responsibility in the accomplishment of the most important function the state has delegated to them as one of its foremost prerogatives.

According to Aristotle, the prince is the keeper of justice. Justice is an outgrowth of the essential attribute of the state. It is one of the three functions, of the three powers of a sovereign country, namely the executive, the legislative and the judicial powers. We shall not be autonomous so long as we are unable to amend our own constitution. We are not in full possession of our legislative powers and we do not enjoy complete judicial independence. We only enjoy one power, the executive power, and this on account of the legal friction pertaining to the divisibility of the crown. We do not enjoy the two other powers, namely full legislative and judicial powers. Mr. Speaker, over twenty years ago, when I was only sixteen, I took part in my first public debate, together with my good friend, who is now my colleague, the member for Chambly-Rouville (Mr. Pinard). We did not consult each other, because I was in Quebec and he was in Montreal, but we both discussed the following subject: "Canada among nations". Both of us, without consulting each other, claimed for Canada all the attributes of sovereignty. That was prior to 1931, before the enactment of the Statute of Westminster.

At the time, we may have been looked upon as dreamers. I am not sure whether this speech I had written when so young had inspired me with a particular feeling of national pride or not, but later on, whenever I addressed the public, I felt it my duty to claim the attributes of sovereignty for my country. At every step Canada took towards autonomy, whether in the international or in the national field, I felt deeply moved, my patriotism fired me with enthusiasm. When I heard the Prime Minister outline his constitutional platform over the radio, which has been stated in the speech from the throne, I was deeply moved and proud of my country, after the years I had spent claiming its autonomy, after I had asked my electors for a mandate in order that I may claim here my country's sovereignty. I was indeed very happy.

When the Prime Minister outlined his program to my electors at Montmagny, on May 22 last, I was proud to be a Canadian and a fellow citizen of our leader. That is why I asked my constituents to give him an unequivocal mandate.

He obtained that unequivocal mandate not only from the electors of Montmagny-L'Islet, not only from the whole of the province of

Quebec, but from the constituents of nearly every electoral district throughout Canada. It is therefore with an unequivocal mandate that he now comes before parliament to ask both houses for their approval of the program which has already been sanctioned by the people who sent us here when they voted for us last June.

Some people would like to see these measures postponed. No good ever comes of delaying too long, Mr. Speaker. In the past, important problems were submitted to a dominion-provincial conference. Without censuring anyone, I point out that unfortunately certain interests availed themselves of that occasion to boost their political capital and gain the confidence of the electors. Why did that happen? Because the subject under consideration at those conferences was so broad that the delegates could go off at a tangent. On the other hand, we have held many dominion-provincial conferences quietly, smoothly and without fanfare, at which federal and provincial authorities were in agreement. For that reason, I feel that in recommending that the debate on amendments to the constitution be restricted to problems involving joint jurisdiction or relating to minorities, the Prime Minister has made an excellent proposal.

I fail to see why we should require the assent of the provinces when dealing with matters that concern only the dominion any more than they would need the concurrence of the federal parliament in spheres entirely under their control.

If a federal-provincial conference is being planned to deal with so broad a matter, I feel sure that, after our experience of the past, it will lead to no practical results. Inevitably, passions will be aroused, the issue will be dodged and this, finally, can only lead to the failure of such a conference, whereas by concentrating on a given question, the Prime Minister has already laid the groundwork of an almost certain success. After all, a spirit of co-operation, of tolerance and of justice, is all that can be required of those attending such a conference.

I would not want anyone and especially those who represent the minority, of which I am a part, to concede a single one of the rights guaranteed by the letter of confederation and which are today, I insist, threatened because of a constitutional practice which has forced itself upon us since 1837. Not for any consideration would I want one single shred of minority or provincial rights to be transferred to this parliament. I am confident that the autonomy of the provinces will be safeguarded, but I also hope that, in order to ensure Canada's continued growth, those fields which were given to the federal government by the fathers of confederation will also be protected. After all, if the provinces are entitled to their autonomy, we are also entitled to ours. The parliament of Canada must be free to act in those fields which are its sole responsibility and on no account should those who represent the central authorities be willing to abandon even one single shred of its rights. But each delegate, while prepared to defend the rights of those whom he represents, should come to this conference in a spirit of tolerance, co-operation and Canadian patriotism. Thus, we may be sure that this conference will meet with success.

If agreement is reached on the manner in which our constitution can be amended in all fields, only one additional step will be required to make it truly Canadian, one to be written in the statutes of this parliament and in those of the various provinces of Canada. Then we shall have achieved complete sovereignty, a dream that has been with us for so long.

(Text):

Mr. T. G. W. Ashbourne (Grand Falls-White Bay): Mr. Speaker, I should like my first remarks in this house to be words of thanks to the electors of the riding of Grand Falls-White Bay in Newfoundland, which riding consists of the electoral districts of Grand Falls, Green Bay, White Bay and Labrador, the last named including an area of some 113,000 square miles. I want to thank the electors for the confidence they have expressed in sending me to this historic House of Commons, and I am very happy to be here.

To you, sir, I should like to add my congratulations to those already expressed by other hon. members on your election as Speaker of this house. There is an air of permanence about this august chamber. I trust that you will long be spared to fulfil the duties of your exalted position which, I hope, will prove a delight to you and of benefit to us. I am delighted to congratulate our Prime Minister (Mr. St. Laurent), the leader of the great Liberal party, on the success of our party in the election of June 27. His outstanding qualities of leadership played an important role in the magnitude of this great victory.

I should like to offer my congratulations also to the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing) on the excellent

speeches they delivered as mover and seconder of the motion which is now under discussion. As yet it has not been my privilege to visit Vancouver, but after listening with rapt attention to the address of the member for Vancouver South, I feel that, as soon as I can conveniently do so, I should like to visit that part of Canada.

The visit of His Excellency the Governor General and Viscountess Alexander to Newfoundland was greatly appreciated by our people. This visit afforded many of them an opportunity of meeting the representative of His Majesty the King, whose health we trust will continue to improve. I sincerely hope that the welcome accorded to the governor general, and the repeated desire expressed by the people of Newfoundland for a return visit by His Excellency and his good lady, will promote an early return so that the places not yet visited by them may have an opportunity of greeting them.

We were honoured by the Prime Minister (Mr. St. Laurent), who, practically speaking, ended his election campaign tour in Newfoundland. I feel sure that the remembrance of the deep interest displayed by the right hon. gentleman in the province of Newfoundland, and his constant efforts to bring the union of Newfoundland and Canada to a satisfactory consummation, was in the minds of the people of Canada.

Since I had the honour of being elected by the people of Newfoundland to be a member of the national convention which met in St. John's on September 11, 1946, I can speak with a certain degree of personal knowledge about the work of that convention. It happens that I was also a member of the delegation elected by the national convention to come to Ottawa in the summer of 1947 to confer with representatives of the Canadian government about the possible terms of union. I want to pay tribute to the ex-Prime Minister, the Right Hon. W. L. Mackenzie King, who welcomed us at that time, as well as to the Prime Minister, the Right Hon. L. S. St. Laurent, who acted as chairman of the meetings that were held at that time.

We arrived in this city on the 24th day of June, the day on which the people of Newfoundland were celebrating the four hundred and fiftieth anniversary of the landing of John Cabot upon the shores of that province. The delegation remained here for a period of three months, during which time meetings were held, concluding on September 29, 1947. One month from that day the Prime Minister of Canada wrote to His Excellency Sir Gordon, now Lord Macdonald, the Governor of Newfoundland, enclosing a statement of terms believed to constitute a fair and equitable basis for union with Canada. Those terms were discussed at length by the members of the national convention and were before the people in the referenda which followed.

The national convention had been elected by the people of Newfoundland to examine the financial and economic condition of the country and to make recommendations to the British government as to the forms of government to be submitted to the people in a national referendum. The first referendum was held on June 3, 1948, the results of which are as follows: for continuation of commission of government for a five-year period, 22,311; for confederation with Canada, 64,066; for restoration of responsible government, 69,400. As no form of government had received a majority of the votes cast, a second referendum was held on July 22, 1948. This resulted in confederation with Canada receiving 78,323 votes as against 71,334 votes for responsible government.

I should like to say, Mr. Speaker, that the Hon. F. G. Bradley, the Secretary of State for Canada, was the chairman of the delegation that came to Ottawa in the summer of 1947. When we returned to the convention in Newfoundland both of us, in common with fourteen other members of the convention, felt that the people of Newfoundland should be afforded an opportunity of voting upon the matter of confederation with Canada. I can assure you we were very glad when the British government decided to place it upon the ballot paper. Confederation, I am happy to say, is now a *fait accompli*. On the 15th day of September, 1949, when this twenty-first parliament assembled, we saw the representatives of Newfoundland seated in this chamber with the representatives of the other nine provinces.

We are proud and happy to take our places in this great land, and delighted that at long last the representations, discussions, conferences and negotiations have borne fruit. As a result of the choice of the people, on whose judgment we can safely rely, I am happy that we are now part and parcel of this great dominion which is, if I may be allowed to say so, greater now that the resources of Newfoundland have been pooled with those of Canada. We can appreciate the fact that the majority of the people are never far wrong when their voice can be heard or when an opportunity is given them to express their considered will on issues concerning their future and their welfare. As time goes on, and as the needs of Newfoundland become

more apparent, I have faith and confidence that from the people of Canada, and from their representatives in this parliament and other assemblies, we shall receive the utmost consideration commensurate with the ability of this dominion to satisfy the needs of Newfoundland as they may arise.

I wish to voice my warm appreciation of the words of welcome contained in the speech from the throne with regard to the advent of Newfoundlanders in this parliament, and to place on record my own high regard for that spirit of friendliness, harmony and good will so pleasantly manifested since the beginning of this session. We in Newfoundland have not been unaccustomed to the storms which have swept our province as well as other provinces represented here. We have felt the tremor of the earthquake. We have been shaken, as it were, by convulsions. Yet, undaunted, we have carried on as well as we could. When the great depressions struck our economic structure we were unfortunately not able, unaided, to carry on alone. For a time we were governed by the commission of government, which I believe did a good job as a whole in Newfoundland. But it was not a democratic form of government; while at the time it seemed to be a good expedient, it was only to be expected that the people of Newfoundland would want responsible government. Today we have responsible government, not on our own but backed up with the resources of the great Dominion of Canada.

Newfoundland is a country of proverbial beauty. We have our majestic headlands, some of them rising in sheer grandeur hundreds of feet, and down the steep slopes come tumbling the waterfalls. I have not yet had the privilege of viewing the Grand Falls of Labrador. I have not yet visited Labrador although I have the honour to represent that great area. But it will be my duty and privilege some day to visit that great country. We know something of the tremendous assets to be found in Labrador, of the rich mines and of the virgin forests which are hers. In imagination we look back to the sight which must have met the eyes of John Cabot when, on the far-away day, coming to the shores of Newfoundland, he and his fellow voyageurs exclaimed, "Buena vista!" I may say that the Secretary of State (Mr. Bradley) resides in Bonavista and represents that historic district as well as the district of Twillingate.

I believe there is a widespread belief that Newfoundland is a land of fogs and ice, but that is not correct. Because of the Arctic current, which flows from the north down toward the gulf stream, a certain amount of fog is naturally generated. But I can assure hon. members that the climate of Newfoundland as a whole is exceptionally good. I might say that right here in this House of Commons I should like to feel some of those sea breezes that I have felt in the past. I mention the climate of Newfoundland because I realize what a tremendous asset it is to us. To those people who want to get away from the sweltering heat of the city in the summertime I would extend an invitation to come down and enjoy the climate of Newfoundland. We have our beautiful days of sunshine and nights that are cool, so that one can lie down and have a decent rest. We in Newfoundland realize that in our climate we have an attraction which I hope will bring many tourists to our shores.

We have as well the salmon fishing about which a good many hon. members know. My good friend the hon. member for St. John's East (Mr. Higgins) will be able to tell you more about that attraction. I have never yet had the thrill of catching a salmon. Now that I am a member of the House of Commons I do not know whether I shall have the time to go salmon fishing. Up to the present time my life has been so crowded that I have not been able to indulge in that sport. I mention it, however, because there may be some who would like to come down and enjoy the salmon fishing in Newfoundland.

It is true that we have some fog, particularly at certain periods of the year, especially in the spring. Later on I shall be making requisitions to the government for some fog alarms and also for some lighthouses, which are most necessary for the people residing in the districts I have the honour to represent. As they go north in quest of the harvests of the deep, these fishermen are oftentimes impeded by fog in the spring of the year. I feel sure that my request for a certain number of fog alarms and lighthouses will not fall on deaf ears, and that the people of Canada will see that these are provided for our fishermen. We know these men who are seeking to provide food for the people of the world will be helped in their endeavours, and I can assure the house that it will be highly appreciated by them.

Newfoundland's strategic position, being so to speak the Gibraltar of the North American continent, is well known. I am happy that our lot is now cast with the rest of the people of Canada, and that this dominion is now rounded out by the inclusion of Newfoundland. We are primarily a fishing country. The prolific cod fisheries of Newfound-

land have meant bread and butter to our people. We have also our salmon fisheries, our lobster fisheries and our herring fisheries.

I was greatly taken with the desire of the Minister of Fisheries (Mr. Mayhew) to give aid to the fishermen. In Newfoundland the fisheries have been our chief mainstay and, as I said before, they offer much by way of food to the people of the world. For example, let us consider the herring fishery. The herring is one of the most important of food fishes, and they are found in our bays and along the Labrador coast. We realize that at the present time, on account of the devaluation of the dollar, if we are to keep up consumption in the export markets we may have to reduce our fish prices. On the other hand we sell a considerable quantity of codfish to Puerto Rico. There we shall receive American dollars which, I trust, will offset some of the loss which may be incurred by the devaluation of other currencies.

In Newfoundland we have an organization called NAFEL. This is the Newfoundland Associated Fish Exporters, Limited, which organization handles the sales of codfish for the exporters of Newfoundland. We have learned from experience the evils of consigning fish to markets without receiving payment beforehand. We have also learned to our sorrow of the cutthroat competition when, in order to make a sale in a market, one exporter might be inclined to undercut another. I am happy to say we now have NAFEL, which is looking after the exporting of our codfish.

I should like briefly to refer to a few of the matters included in the speech from the throne. In my opinion this was a good speech, forecasting as it did important legislation, some of which has already been placed before the house. It is my hope that the dominion-provincial conference, which in my opinion is a worthy project, may result in profitable progress, and may achieve the desired end, with each participant actively motivated toward a common goal. By that method I am sure the best possible results will flow for the people and the nation.

The right to amend our own constitution should surely be our own prerogative. It seems to me we must continue to strive with determination and in the spirit of co-operation not merely to find temporary solutions for our problems, but adequate and lasting ones, in all the matters which we undertake. I am pleased to see the increasing interest taken in national health, which primarily, I understand, is a provincial matter.

May I say that in my first speech in the house I realize that I have much to learn. I am only a beginner here, and there are many directions in which I shall have to make progress slowly. It is not easy to change quickly from one course of procedure to another. The amount of $30 million voted at the last session of parliament to be divided among the provinces was, in my opinion, a proper step. I am afraid, however, Newfoundland may be unable to participate in all the various grants.

For example, I am not sure that we shall be able to take up the amount of money which was voted for cancer research. It would be, I think, a great pity for any amounts that we could not possibly take for the different sections for which the votes were granted to go into a dropped balance. I trust that if there are any such amounts which cannot be used for grants as indicated, they may be credited to Newfoundland, and given to us for certain other medical and health purposes. For instance, I have in mind hospital construction. We have in Newfoundland a health problem. Those grants in toto could be used for various purposes in Newfoundland to which we could profitably put them. We have several cottage hospitals, as well as private hospitals. We have the hospitals in the north operated by the International Grenfell Association, which operates a large hospital at St. Anthony, and also on the coast of Labrador. We have at my home town of Twillingate a memorial hospital built as a memorial to the men in world war I who laid down their lives in that great conflict.

On August 17 last we celebrated the 25th anniversary of the opening of the Notre Dame Memorial hospital. Newfoundland being an island, our main means of transportation is by boat, and in Newfoundland the people are scattered among the various outports around the coasts. I was talking to Dr. Olds, the superintendent of the hospital in Twillingate, just shortly before I left. It might be interesting to note that he is a graduate of the Johns Hopkins university. He has been at Twillingate for quite a period. He is the missionary type of doctor and at one time during the war he practically carried on single-handed at this 130-bed hospital. He was telling me how much he would like to have an aeroplane in order that cases might be brought to the hospital more quickly. We were delighted to hear that the United States government has donated a large sum of money for the building of a hospital at St. Lawrence on the southwest coast of Newfoundland.

We in Newfoundland are looking forward to the building of the trans-Canada highway and we hope that a highway will also be built across Newfoundland and Labrador. We understand that a ferry service across Cabot

strait will be instituted in time and this would permit many people to come from the mainland to visit our beauty spots and enjoy the fishing and hunting available in Newfoundland. There are herds of moose and caribou on the island which are increasing all the time, but I think we shall have to bring in some deer from the mainland, which would add greatly to the attractions of our hunting.

We have heard much said about the premium on gold, but may I suggest that a premium on food would not be out of order. In the final analysis, is not food of greater value than gold? We in Newfoundland have helped to feed the people of the world. Our climate is such that we are able to dry the salt cod which we have exported, not only to the Mediterranean, to the West Indies and to Puerto Rico, but to Brazil.

While we look forward to a further development of the fresh fish industry we realize that there is a great demand for the salted product. I hope and trust that Europe will still be able to take large quantities of our codfish. Unfortunately we have not been able to sell any cod in Spain for two years. There may be a necessary curtailment in our exports of fish owing to lack of currency, but it would be a great thing if we could once more sell our products to Spain. I remember one time being told by a fish merchant there that if we could produce a certain quality of fish it would sell in that market no matter what other cargoes might be offering. This question of exchange has hampered our exports to the extent, as I have stated, that we have not been able to make any sales of fish in Spain for quite some time.

Shipbuilding is mentioned in the speech from the throne. This is a most important industry, a most essential industry to Newfoundland. Being an insular and maritime country we must depend upon shipping. If it is the intention of the government to foster the shipbuilding industry I hope they will also consider the matter of repairs to existing hulls. It is a well-known fact that the bottom of a vessel will outlast two top structures. Not having a great deal of hardwood in Newfoundland, we must use the softer varieties, and we find that the topsides give out first. The bottom of the vessel, being in contact with salt water, is quite often perfectly sound when the upper part must be condemned. If repairs, under supervision of course, could be carried on I know that the fishermen would be delighted and I think provisions for such repair work might well be coupled with the measure proposed.

Mr. Deputy Speaker: The hon. member's time has expired but he may continue with the unanimous consent of the house.

[Mr. Ashbourne.]

Some hon. Members: Go on.

Mr. Ashbourne: I wish to thank hon. members of the house for their indulgence. Mining is a great asset to Newfoundland. The mines at Buchans provide considerable employment and we are looking forward to the development of the mineral resources in Labrador.

The production of newsprint at Grand Falls and Corner Brook has been a means of reducing unemployment throughout the island and also of obtaining United States dollars.

Then a word with regard to the air agreements. No doubt the acquisition by Canada of Gander airport, which is in my riding, strengthened the hands of the government in the finalization of these agreements. If further details have not yet been decided upon, or remain to be ironed out, I trust that in the final analysis no undue friction will develop, but that the result will be expanded services and greater employment with a consequent need for additional Newfoundland personnel. The large airport at Gander, the centre of international air travel, the crossroads of the world, will, I believe, play a most important role in the development of our country.

The matter of forest conservation is most essential. Fire, that great menace, has been a constant threat. The change-over from coal to oil burning locomotives in Newfoundland has resulted already in fewer fires. Newfoundland, if denuded of her forests, would become in time a bald rock. Then our fisheries would disappear and storms would likely sweep over her.

I sincerely say "amen" to the prayer that Divine Providence may bless our deliberations on behalf of this great Dominion of Canada.

Mr. W. D. Wylie (Medicine Hat): Mr. Speaker, while I intend to be very brief in my remarks, I want to discuss certain matters of particular importance to my constituency, and to Canada as a whole. One of those subjects is irrigation.

Before discussing it may I take this opportunity to congratulate the Speaker of the house and also you, Mr. Deputy Speaker, on being elevated to your high offices. May I congratulate the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply to the speech from the throne. I regret that I was unable to follow the speech of the hon. member for Nicolet-Yamaska owing to my meagre knowledge of the French language, but I certainly enjoyed the address of the hon. member for Vancouver South. I think he did a wonderful job, and I am sure that we are going to hear more good speeches from the same hon. member.

Coming over to this side of the house, may I offer my congratulations to another member from the other end of Canada, the hon. member for St. John's East (Mr. Higgins). I enjoyed listening to his speech, and I am sure everyone else did. I believe that he is another hon. member who will certainly be heard from in the future. I am sure that we will take pleasure in the contributions that he will make to the debates of the house.

The subject of irrigation is one that is certainly not new to most hon. members, and it is one that is not new within the walls of this chamber. I hope that the word "irrigation" will ring through this chamber until our wish to see our western plains well supplied with water has been fulfilled. During the past week we have had several celebrations in Lethbridge in connection with irrigation. The Lethbridge chamber of commerce was celebrating their seventy-fifth anniversary, and at the same time they had a celebration in connection with irrigation, a subject in which they have taken an interest ever since they were first organized. They have done a wonderful job in promoting irrigation, not only in the Lethbridge area but also in the Medicine Hat area, and other areas as well.

I might mention in passing that Mr. John Fisher, the noted C.B.C. commentator, covered the celebration last week. I am sure that many hon. members of the house must have heard Mr. Fisher either on Saturday afternoon or yesterday when he gave Canada the story of irrigation, and what irrigation has done for the Lethbridge community. I find that many members of the staff of the house also listened to him. I am reminded that he told a little story, and I think it is worth while repeating it because we do have chinooks out there, and we have quite a variation in temperature. Mr. Fisher told a story of a couple driving into Lethbridge one day during a chinook. It was in the middle of winter and the front end of the sleigh was on snow and the back runners were on bare ground. Many hon. members may not believe that situation exists. I agree that it is not quite that bad, but we have changes in temperature of 60 degrees in about two hours, and the unfortunate part of it is that it does not occur only in the wintertime. We have the same thing in the summer. When we get the dry chinook winds in the summertime it is just as hot at night as it is during the day, and no crop can stand up under those conditions unless we have water for the soil.

There was another meeting in Lethbridge last Thursday, a meeting of the Western Canada Reclamation Association. It is an organization made up mostly of Medicine Hat residents who spend their time promoting irrigation. There was also another very large meeting in Medicine Hat last Tuesday night which was addressed by a former member of this house, Mr. John R. MacNicol, a man who has spent years studying irrigation, and the benefits that can be derived by supplying water to the land. We were very glad to have Mr. MacNicol in Medicine Hat at this time of the year, especially just after an election in which many promises were made as to irrigation. Mr. MacNicol addressed an audience of 650 irrigation enthusiasts who filled the Empress theatre. They must have been enthusiasts to have attended a meeting at this time of year. They were people who had the interests of the district at heart. Mr. MacNicol also spoke in Lethbridge; and while he is not now a member of this house I wish him all the success in the world in promoting irrigation in western Canada.

Now, Mr. Speaker, while I do not wish to rehash election promises, in view of developments that have taken place since the election I find it necessary to refer to a few matters and a few promises that were made to the residents of my constituency before the election. We had plenty of promises. As I said, irrigation is not a new subject in this house. I am going to go back to September 18, 1945, and read a very short editorial from the Medicine Hat *News* of that date under the heading "A necessity":

> Last week Senators F. W. Gershaw and W. A. Buchanan stressed the need of an early start upon the irrigation projects in southern Alberta.
>
> At the week end the local trades and labour council voiced a strong protest against the delay in commencing work on the Redcliff-Ronalane project. These representations are the latest in a steadily growing volume of protest against the apparent inability of Ottawa to recognize the emergency which is developing in southern Alberta as a result of drought conditions. The memory of the dry thirties is still vivid in this part of the country where its people are anxious to avoid having to undergo another heart-breaking experience of that kind, especially as it can be averted to a great extent by placing water on the land.

In that editorial I went back to 1945, but I could go back to 1920. The necessity of having water on the land was recognized at that time; the issue has been fought in every election campaign since, and I can assure you, Mr. Speaker, that as long as I am able to do so I shall continue to fight it in every election campaign until these irrigation projects are completed.

Mr. Gardiner: And this Liberal government, through the Minister of Agriculture, has done more about it in the last few years than was done in all the other years you have been talking about.

Mr. Wylie: Yes, since I have been elected; not before. In our part of the country every

year is a dry year; we have never known a wet year. The only difference is that one year may be a little drier than another, and this happens to be one of the driest years we have ever had. This year in that area thousands of acres will not be harvested; there is nothing on them to cut. Thousands of acres are averaging only from two to four bushels to the acre. Many farmers sowed 250 to 400 acres of wheat and did not thresh one bushel of grain. Those are the conditions that actually exist. The people of that district know we have the solution if only we will adopt it, but apparently those in charge are not so anxious to see some of our natural resources used or to have water put on our land. I was quite proud and happy to have the right hon. Minister of Agriculture (Mr. Gardiner) in my constituency three times before the election—

Mr. Gardiner: And I shall be back three times more now that it is over.

Mr. Wylie: I assure the minister we shall be very glad to have him there at any time, as long as he leaves his promises at home, but we do want some action. Now I am going to read some short articles that appeared in the newspapers. Here is one dated May 2, from the Calgary *Albertan*, under the heading "Land purchase money in bank." It goes on to say:

The Liberal candidate for the Medicine Hat riding revealed Friday that $2,350,000 is in the bank for purchase of Canada Land and Irrigation Company holdings.

The price includes a 200-mile canal system and an estimated 160,000 acres of company lands. The Liberal candidate said that if the price was accepted he had agriculture minister J. G. Gardiner's assurance that the Bow river irrigation scheme would be undertaken immediately and made available to farmers at $10 per acre.

Then I have another short extract from the Calgary *Albertan* of May 9 under the heading "Irrigation company agrees to sell out." My only purpose in bringing these articles to the attention of the house at the present time is to show that these promises were made before the election on June 27 and nothing further has been heard of them since.

An hon. Member: Were you surprised?

Mr. Wylie: Not a bit. This is what the article states:

The Canada Land and Irrigation Company, owner of a large irrigation system south of the Bow river and between Calgary and Medicine Hat, has agreed to sell out to the dominion government, according to Right Hon. James G. Gardiner, federal Minister of Agriculture. Mr. Gardiner made the statement in a long distance telephone conversation with Harry Veiner of Brooks, Liberal candidate. He asked Mr. Veiner to arrange an appointment for him May 17 with D. W. Hays, general manager of the company.

[Mr. Wylie.]

Acceptance has been made in principle, while negotiations are needed to work out details of the agreement, said Mr. Gardiner.

Mr. Gardiner: No promise in that; it is just a statement of fact.

Mr. Wylie: Now I come to June 13 and something out of our local paper, getting right back home. The heading is "Gardiner backs irrigation deal," and the article states:

The audit and engineering investigation of Canada Land and Irrigation Company's assets and holdings on the Bow river extension has been completed, said agriculture minister James G. Gardiner here today.

"I have the copies of the report now," added Mr. Gardiner, in Medicine Hat to make two campaign addresses, one in Bow Island this afternoon, the other in the city tonight, in the interests of the Liberal candidate.

"The advisory committee of the PFRA viewed the project recently and is recommending it to the government. I am prepared to recommend it and back it."

Those are the minister's words.

The government, through Mr. Gardiner, offered to buy the company outright early in May. The offer was accepted by company directors and a written undertaking given that the company would sell. The Canadian cabinet has endorsed the agriculture minister's proposals.

Now that was on June 13, some time before the election. We are still waiting to hear what has happened.

Mr. Gardiner: Will you be surprised if it goes through?

Mr. Wylie: I shall be glad; I hope it does.

Mr. Quelch: Will the minister be surprised?

Mr. Wylie: Probably he would.

This article continues as follows:

Plans are developed for a big political rally in the city tonight, starting with what has been called a Gardiner-Veiner victory parade. This will move off from a point by Cory Implements, south of Railway street, at 7 p.m., and will cover all downtown streets, ending at the Empress theatre at eight o'clock.

The parade will feature some of the Dailey Bros. circus menagerie, in the city today, and the sixteen-horse hitch circus calliope. There will be floats, decorated cars and decorated bicycles.

May I say this, Mr. Speaker, that there was no parade with any part of the circus and the people of Medicine Hat were disappointed that evening, as the minister will recall. This parade was advertised over the radio for a week. That night the ladies rushed through doing the dishes and got the children ready to go down to see this circus parade. What happened? When they arrived on the scene they found the only parade was the right hon. the Minister of Agriculture and the Liberal candidate riding in the first car, with a few of their friends in two or three cars behind them. The people returned home disgusted and I do not blame them.

Mr. Gardiner: Most of them came to the meeting.

Mr. Wylie: The minister says "Most of them came to the meeting." He had a meeting that afternoon in Bow Island and while the newspapers reported the theatre was packed, actually there were forty-one people at the meeting.

Mr. Gardiner: Better than that; it was not packed, but I was running opposition to a circus, you know.

Mr. Wylie: May I say this, Mr. Speaker, that we are proud of our city. If 600 people is all we can get to a parade in Medicine Hat, we are bitterly disappointed. There were not that many at the minister's meeting.

Mr. Gardiner: Oh, yes.

Mr. Wylie: I shall read you what the Moose Jaw *Times-Herald* of June 28, 1949, says. This is the day after the election. The article is headed, "Jimmy and the Circus".

> Never before have we heard of a politician sharing a night billing with a circus. That is what happened to Hon. Jimmy Gardiner at Medicine Hat.
>
> Of late years the circus managements have shunned parades, but whether it was the persuasive ability of the Medicine Hat Liberals or the fear of competition from Mr. Gardiner, there was a circus parade through the streets of Medicine Hat prior to the night performances of both. The elephants, lions, tigers, camels, riding horses and the circus band took part in the "Gardiner-Veiner victory parade," tracing a figure eight through the business section of the Alberta city. The Liberal committee organized the victory parade which was comprised of floats and decorated cars and bicycles, with "Veiner balloons" distributed en route. Mr. Gardiner and the Liberal candidate Veiner shared the honours with the beasts of the jungle and the polar bears from the far north.

You will observe from this that you cannot always believe what you read in the newspaper. There was no parade.

Mr. Gardiner: You have not read it all yet.

Mr. Wylie: I can read some more if you wish. I might read also, Mr. Speaker, what a Liberal newspaper said the day after the election. This editorial is headed, "Irrigation gets a Setback". This will show you whether they were playing politics. The editorial reads:

> The cheering is over, the laments are known, and the people have spoken. Re-election of William D. Wylie, Social Credit, by an overwhelming majority in the Medicine Hat constituency was a confirmation of faith in Alberta doctrines by the common people. Across the country it was a predictable win for the Liberal government but few can claim to have foreseen such a decisive sweep. It was an unprecedented steamroller victory in nine of the ten provinces, Alberta being the only exception to a trend which was early established after the closing of polls.
>
> More than national affairs were at stake in this constituency and the flaunting of the proposal made by agricultural minister Gardiner for the purchase of Canada Land and Irrigation Company Limited to complete the Bow river extension raises a big question over the future course of developments.
>
> The election was fought locally on irrigation, although some minor issues were raised during the hard-fought campaign. Gardiner said he would recommend, and back in cabinet caucus, purchase of the company at a price of $2,250,000. In addition, it would have cost the federal treasury some $3 million to complete its portion of the engineering development. The fate of this program is now problematical. We do not make this statement in any spirit of mischievousness but in the full knowledge of how practical politics are played.

According to that article the irrigation program will not be considered unless a Liberal is elected.

I have another article to which I wish to refer, as I believe it is worth while. This one is dated July 14 and is an editorial which appeared in the Medicine Hat *News*. It is headed "Irrigation and Politics".

Mr. Gardiner: From what other paper were you quoting?

Mr. Wylie: That was the Medicine Hat *News* of Tuesday, June 28.

Mr. Gardiner: Is that a Liberal paper?

Mr. Wylie: It is still a Liberal paper. This is what that newspaper said in an editorial on July 14 which is headed "Irrigation and Politics".

Mr. Gardiner: It is not a Social Credit newspaper, but that does not mean it is Liberal.

Mr. Wylie: This editorial reads:

> If the Liberals are to claim any right to honest government at all, they will decide the irrigation issue on its merits. Either the irrigation of southern Alberta is a good thing for the country as a whole or it isn't. If it is, then politics ought not to enter into it at all; if it isn't, then why was Mr. Gardiner so keen on the idea before June 27?

Mr. Low: Let him answer that.

Mr. Gardiner: If my hon. friend wishes to have an answer to that question, I can tell him that his organization wrote me a letter challenging me to go out there and discuss the question.

Mr. Wylie: I did not hear what the minister said.

Mr. Gardiner: I said the hon. gentleman's organization, the Social Credit organization for that area, challenged me to go out there and discuss the question with the people. I went out and discussed it.

Mr. Wylie: Mr. Speaker, any time an organization has a candidate in the field, there is an implication that there is an invitation for any minister to enter that constituency and debate any subject.

Mr. Gardiner: They wrote and asked me to come.

Mr. Wylie: I am glad they did, and where did we get when we did get you out there?

Mr. Gardiner: You do not know yet what you are going to get.

Mr. Wylie: We shall wait and see.

Mr. Gardiner: I would say this, though, to my hon. friend, on the question of what they get by voting. In recent years Medicine Hat has elected more Liberals than anything else. They did not get irrigation for electing Liberals and they will not be refused irrigation because they elected somebody else.

Mr. Wylie: I am glad to hear the minister make that statement.

Mr. Gardiner: It is the same statement I made when I was out there.

Mr. Lennard: Make your own speech.

Mr. Wylie: We have believed that of the minister, but his organizers in Alberta do not believe that, and the papers supporting the minister talked differently. I think it is time they got behind the minister instead of opposing him, and gave him a hand to get our irrigation.

Mr. Gardiner: They are doing that all the time.

Mr. Wylie: They may be saying that all the time; but just the same, what we want is irrigation. I am going to go a little further and read an article that was in the Brooks *Bulletin* in order to show that irrigation is being discussed farther afield than in this country. I shall read from a recent issue of that bulletin, the one of September 15, 1949. The heading is "Planning increased irrigated acreage" and the article reads as follows:

New projects will increase the Canadian irrigated farm acreage from about 1 million to more than 3 million acres said Gordon MacKenzie, addressing a United Nations conference in Lake Success, New York.

No doubt the minister knows who Gordon MacKenzie is.

"Canada will in the near future triple her present irrigated acreage and thus be able to contribute her share to the world's population and food requirements," said Mr. MacKenzie.

He stated Canada's irrigation development will be limited only by the available water supply. The suitable land is almost unlimited.

Mr. MacKenzie spoke before the water-development section of the U.N. scientific conference on the conservation and utilization of resources where 535 scientists from 49 countries are exchanging ideas and experiences on how to boost world living standards.

He was commenting on a paper concerning recent developments in irrigation, presented by Michael W. Straus, commissioner of the United States bureau of reclamation.

Straus said it is an old human practice to pray for rain, but the country where the farmer can order his "rainfall" via the irrigation ditch is the one whose people will eat. Only recently had the responsibility of national governments in development of water and related resources received national recognition.

Commenting on this point, Mr. MacKenzie said this responsibility has been recognized in Canada since 1935.

There is a man who is entirely out of this country and who is making a speech of that kind. We in the southern part of the province want to see these irrigation projects completed as soon as possible. No one realizes the hardship that these farmers are putting up with until he goes out and sees some of the crops that have been put in and has watched them burn up.

An hon. Member: And the dust blow in.

Mr. Wylie: And the dust blow in, as my hon. friend says. I know a young chap who put in two hundred and fifty acres of wheat. He got three loads of feed off that two hundred and fifty acres. He is milking thirteen cows at the present time and is supplying badly-needed milk to our city and other parts. This winter he must dispose of his cattle. It is impossible for him to ship in feed with alfalfa at $28 a ton; and that is what he would have to pay. This man is settled right in the land that will be in the irrigation district. He is in the Sevenpersons creek area. The land has been surveyed. We know where the water will be. That is only one case and we have dozens of them. When you go out and see a man putting a $4,000 combine over a field and then getting only three to four bushels an acre, you wonder why he is doing it. But he must.

Before I go further may I say that the P.F.A. Act has assisted the farmers in that area; it has assisted all the farmers in all the drought areas. For many of them it is their only means of living. If it were not for the P.F.A. payments they would be on relief today. I notice that the P.F.A. Act is coming before the house for amendment. I hope the payments can be increased to the farmers in those areas where they have suffered a complete loss.

In closing, may I say to the minister and to the government that we have just about reached the end of our patience with playtime talk about what should be done with respect to irrigation projects. Water is the key to prairie industry and prairie prosperity. Who cares who gets what credit for what, as long as we get action on irrigation? Let us have that action with the least possible delay.

Mr. J. J. Smith (Moose Mountain): Mr. Speaker and hon. members, in rising in the

house this evening to make my first speech I want to say that from the beginning of the session I have been all eyes and ears, and I assure you that this evening I have no intention of being all mouth.

I want to take this opportunity to congratulate the Speaker and other members of this house upon their election to the high positions they hold. I want to congratulate the Prime Minister upon his great victory on June 27. A small part of that victory brings me to this house to represent the constituency of Moose Mountain as a member of the government party. Being a new member, I have had many "wonders"; and one that is still with me is this. I wonder when some hon. members will get through licking their election wounds.

Much has been said about the results of the general election. I intend to speak for myself and for a good many of my colleagues from Saskatchewan. We out there ran our campaign fairly well on the past policies of the Liberal government. My colleagues and I were elected to this house under the policies of the Department of Agriculture. Much also has been said in this chamber about election promises. I cannot speak for all of Canada but I think I can speak for myself and also for a large number of my colleagues from my province. We in Saskatchewan made few if any promises because we knew that, if we promised the moon, our opposition out there would promise something bigger.

Much has been said about the government's majority in the House of Commons. As a new member I do not know a great deal about majorities or strong oppositions. I do believe however that a large majority is not something which need go amiss, because it gives hon. members supporting the government an opportunity to criticize that government, and to question it freely. I would suggest that criticism from that source would be just as beneficial as if it were to come from the opposition benches.

Much has been said about housing. I shall not linger long on that subject, but there are some brief observations I should like to make. I believe all hon. members will agree that the housing situation in Canada is not in as satisfactory a condition as we would like to see it. However, some of the speeches which have been made have pictured a backlog in housing which, in my view, is not as grim as it has been described.

I believe I can speak for a large section of Saskatchewan and Manitoba, and for cities in those provinces. True, there is a backlog in housing; but if we were to consider the situation in Winnipeg, which all will agree is a large city in which more than half the population of Manitoba lives, we would find that we could drive down street after street, avenue after avenue and see on each street or avenue new houses, either already completed or in process of being built. Any man in Winnipeg who can carry a saw or drive a nail can get full employment in the building program. The hon. member for Moose Jaw (Mr. Thatcher) has said that there were less houses built under the federal housing program than there were marriages. Perhaps the hon. member is correct, but I know of scores of young people who have been married and who have built their own homes. Central Mortgage and Housing Corporation had nothing to do with it.

In the rural areas of Manitoba and Saskatchewan we are having a vast program in the building of new houses. These are being built by people who during the forties enjoyed good prices for their crops—when they had them. These people are either rebuilding their own homes or building new ones. As time goes on I am convinced we will catch up on the backlog in housing.

One other matter I shall mention only briefly. I expect soon to have friends from the United States, a few friends from overseas and possibly some relatives visiting me in this city. It will be my opportunity and honour to show them around these parliament buildings, and to show them those facilities with which we have provided ourselves in order that we may have government.

I trust however that I shall not be asked that most embarrassing question, as to what facilities we have for the residence of our first citizen. In my opinion we have a disgraceful situation when our Prime Minister (Mr. St. Laurent) has no official residence. I trust that before long this error will be corrected. Our Prime Minister is a family man and I suggest that we in Canada should at least provide him with a place in which to live.

May I now turn to a discussion of agriculture. I represent an agricultural constituency located in the southeastern part of Saskatchewan. My constituency is agricultural, with the exception of the coal fields at Estevan, which take up a small area. However, since coming east I have come to realize that not only am I a new member but that I am a new person in the east. I have heard much about eastern Canada, because my mother came from Quebec and my father from Ontario. During the last two week ends I have visited farms in this district. Last week end I visited a farm in Carleton county about thirty-five miles northwest of Ottawa. This fall it is my intention to plow some soil on one of those farms.

Yesterday morning I had the pleasure of helping to milk a dairy herd, and to deliver the milk to the cheese factory. This was all new and interesting to me. Those of us who come from western Canada have an advantage over members from eastern Canada because we have this opportunity to come east and to get acquainted with the people in this part of the country. We visit the rural areas, the towns and the cities, and in that way obtain a better understanding of the problems in this part of the country.

I admit it would be impossible to hold a session in western Canada, because we have not the facilities. However, if it were possible to come to the west, hon. members from the east would enjoy these same advantages. They would visit our rural areas, our towns and our cities and would learn about our problems.

Let me refer briefly to the agricultural set-up in western Canada. It is true that western Canada is new. But it will not always be new. I believe we could take a page out of the book of the eastern farmers. We will have to do as they are doing, namely reseed our lands to grass. I am told that right here in the Ottawa valley, where there is great fertility and plenty of rain, the farmers cannot grow crops continually. Occasionally they have to sow their lands to legumes and grasses. Sooner or later we in western Canada have to follow a similar course.

It is true that some farmers in the west are beginning to follow that procedure. However, if we are going to keep our land young we will have to sow grass. We have suffered from drought, insects and soil erosion. I believe that, thus far, we have succeeded in coping with the situation. However, the agricultural set-up of our dominion, whether it be east or west, is important. I believe it is said that for each member of the world's population we have two agricultural acres. Let us keep in mind that people must eat.

Much has been said about decreases in farm prices. Some of those prices have gone down; but the average for the first three months of 1949 showed an all-time high. We are still enjoying prices which are two and a half times higher than in the pre-war period.

It is my belief however that prices are bound to come down. In my view that is essential, because it will be agreed that when prices get too high they are bound to react to a point where they are too low. We know that, under the world wheat agreement, from year to year we are going to take less for our wheat. I do not think there is a wheat grower in Canada who, if he gave the matter serious consideration, would not admit that that is a satisfactory set-up. What we want is stability. We do not want a high price one time and a low price the next time.

Much has been said about oil production in Canada. The oil experts tell us that there are over 36 million acres of land in Saskatchewan, mostly farm land, where there are good possibilities of finding oil. This year I leased 640 acres to Imperial Oil Limited for oil research.

I think this is about all I want to say this evening. There are a few other comments I wanted to make but I shall make them later on.

Mr. F. H. Larson (Kindersley): Mr. Speaker, I should like to add my congratulations to those offered by hon. members to the gentlemen who have been newly appointed and elevated to various positions. Other hon. members probably know these gentlemen much better than I do and therefore their congratulations may be more heartfelt. However, I am looking forward to working with these hon. gentlemen and I am sure that everything will go quite nicely.

I understand that in the debate on the address in reply to the speech from the throne it is the prerogative of a member to say something about the part of the country from which he comes. I represent the rural constituency of Kindersley, which contains some of the best grain-growing land in Saskatchewan and probably in all western Canada. It also includes land on which people were settled years ago and which perhaps was the wrong type of land for that purpose. By the policies carried on under the Prairie Farm Rehabilitation Act, the Minister of Agriculture (Mr. Gardiner) has created community pastures in these areas, and where at one time the people were in serious difficulties in trying to grow wheat, at the present time they are carrying on a profitable cattle industry and the country is being rehabilitated.

The Minister of Agriculture under this same prairie farm assistance has been able to take care of certain people living in areas where it has been impossible to grow grain or raise cattle, and it is to be hoped that in the not too distant future it will be possible to provide in the province land to which these people may be moved where they will be able to be self-supporting and lead happy lives without any economic worries.

Another reason for my speaking on this motion is to correct some impressions. Driving from my constituency of Kindersley to Ottawa, I feel after driving for about three days that I am never going to get here. When I get here I realize that when I am at home I am over a thousand miles from the west coast and when I am here I am still another thousand or more miles from the new

province of Newfoundland, which I wish to welcome at this time. I then realize how impossible it is for the people of this country to get to know one another intimately.

There are two great land barriers and one fairly extensive water barrier between the various parts of the country. The only way people can get to know one another is through impressions that are created. How do I, coming from the west, impress people who come from the far east or from central Canada?

During the last session the Minister of Agriculture (Mr. Gardiner) and one other supporter of the government from Saskatchewan helped to implement sound agricultural policies which had the approval of all the people in western Canada, for whom I shall speak until I conclude. On the other hand, there was another group in this house which, as far as I could see, did absolutely nothing except criticize the policies of the Minister of Agriculture and the government. Down through the years the Minister of Agriculture has represented the west, indeed all of Canada, in this house. He has implemented policies which have received the wholehearted approval of the farmers throughout the west and those of Saskatchewan particularly, as is evidenced by the seating arrangement in this house. Every rural constituency in that province with the exception of two, and one urban constituency, indicated that they endorsed the policies of the government and were behind the Minister of Agriculture. We must conclude that those are policies that the people of the west, particularly those of Saskatchewan, want.

The government headed by the Prime Minister (Mr. St. Laurent) received a mandate from the people of Canada. The Prime Minister is to be congratulated because he did not look to any particular part of the country or any particular group of the people and say that he was going to further their particular interest. He looked at Canada as a whole. He realized that if Canada was to continue to play the part she has played in the past we must work together as a unit.

The western provinces, which are not so large in population or so well developed as those of central Canada, were inspired by that attitude. Instead of always wanting something more, they desire to pull their weight and add to the development of Canada rather than to continually criticize the government and complain that it is not doing enough for them.

The riches of the vast plains of western Canada can fulfil a destiny which is nation-wide if not world-wide in its implications. It has been said in many quarters that the population of Great Britain is too large. From my travels across this country it would appear that if Canada is going to absorb large numbers of suitable immigrants from the old country they must come, generally speaking, to the vast plains of western Canada.

We have heard a good deal in this house about the over-production of wheat, but I think that if the world food situation is reviewed it will be found that there will be plenty of mouths to consume even the maximum food production of this country, provided the mechanics of international trade can be adjusted in order to permit that food to be sent where it is needed. I have every confidence that this government will in the future, as in the past, find means to distribute this food throughout the world, thereby doing a great service to humanity. We have just come through one terrible war and we abhor the thought of another. I believe students of international affairs will agree with me that people who are well fed and have room to live in and expand are hard to stir up to that point of dissatisfaction where they can be recruited into large armies of aggression.

As I have said before, western Canada has the space and is anxious to take its place in the development of the whole country. There is one important factor, however, which has to be taken into consideration before these vast spaces can be utilized to their fullest extent. To put it in simple words, the provinces of Saskatchewan and Alberta in the main have too small an annual rainfall to permit intensive cultivation in small acreages. While nature has not endowed the west with rainfall, she has endowed it with facilities so that man can create, and is creating, under the leadership of the Minister of Agriculture (Mr. Gardiner), conditions whereby small acreages of land can be intensively farmed, thus making many homes for people who are still awaiting the day when they can leave their crowded mother country and come to this great dominion.

These conditions are provided by the water development projects that either have been completed or are under construction on the prairies at the present time. Some hon. members are fully aware of the increased production of various kinds of crops on small acreages which has been going on in Alberta for some time. These projects were started by private companies, but through experience it has been found that this type of development lends itself more to government than to private operation. Consequently the prairie farm rehabilitation organization has taken over most of the Alberta projects at the present time. There is a large area of ideal country in Saskatchewan which will lend

itself to irrigation if the final investigations prove the area as promising as the preliminary investigations have done. This area of land can be brought under irrigation by the construction of a dam on the south Saskatchewan river. A good many hon. members have already heard of this project and will probably hear more of it in the future. The attitude of the present representation from Saskatchewan, and indeed the whole of western Canada, is not one of being down and out and wanting the dominion government to be continually spending money on them, as a good many members who came down here in the past few years would apparently have had you believe.

The taxpayers of Saskatchewan realize that, whatever money is spent, they have to pay their share of it. Consequently we are not asking for anything where we do not see a return. What the people of the west are asking is that the dominion government continue to provide the capital cost of various projects so that we can better equip ourselves to meet the problem of the lack of rainfall, and thus provide a place where new Canadians can come and build their homes in the land they have chosen. In this way we can help Canada to fulfil its destiny by helping to provide space for new Canadians, and also help Canada to fulfil its destiny as the provider of adequate food to people who live in overcrowded countries where they cannot adequately provide their own.

(Translation):

Mr. Armand Dumas (Villeneuve): Mr. Speaker, I wish first of all to tell you how thrilled I am at this moment to have the honour and the privilege of making my maiden speech in this house. The distinguished members who have preceded me were much more eloquent than I shall be, and those who follow will surely outdo me in this regard. I crave the forbearance of hon. members, and I can assure you, Mr. Speaker, that I shall make my remarks as brief as possible.

(Text):

With your permission, Mr. Speaker, not because I wish to do so as a formality but because I think it is my duty to pay my respects to the Speaker of this honourable assembly, I congratulate you on the very high honour which was bestowed upon you when you were elected to that office. The duties of one who must preside over the debates of so imposing a gathering are numerous, sometimes difficult, and very often it is a thankless task. Your great tact and the experience you have acquired in the past are the guarantee that our deliberations are in very able hands.

(Translation):

I also wish to congratulate my leader, the right hon. Prime Minister (Mr. St. Laurent), for his personal victory of June 27 last. Another pleasant duty of mine, Mr. Speaker, is to congratulate the mover and the seconder of the address in reply, the hon. members for Nicolet-Yamaska (Mr. Boisvert) and Vancouver South (Mr. Laing).

I am happy to start my parliamentary career with the advent of Newfoundland as a tenth province of our great and beautiful country. I am pleased to greet my hon. colleagues, our friends from Newfoundland, who are here to speak on behalf of their electors.

With your permission, Mr. Speaker, I would like to pay a tribute to the memory of the late member for Pontiac, Mr. Wally McDonald. No doubt if he were here now he would be pleased to see that my hon. friend from the new riding of Pontiac-Timiskaming (Mr. Proudfoot) and myself have brought back the old Pontiac county into the fold, and on the right side of the house.

(Text):

I think it is appropriate to acquaint hon. members of the house with the new constituency which I have the honour to represent. It came into being in 1947 by virtue of an act of parliament. The name is familiar to all hon. members. It was named after the late Cardinal Villeneuve, a prominent clergyman, a great Canadian, and a prince of the Catholic church, who went out of his way to preach Canadian unity. The new constituency is composed of the northern part of the old riding of Pontiac and includes the whole of the provincial riding of Rouyn-Noranda, part of the riding of Abitibi East, and part of Abitibi West. It is 100 miles in length and its greatest width is 60 miles. In it are to be found the following cities and towns: Rouyn, Noranda, Duparquet, Cadillac, Malartic, Val d'Or, Bourlamaque, Sullivan, and Perron. There are also numerous villages. When one hears those names one realizes that the riding of Villeneuve must have within its boundaries most of the gold and base metal mines of northwestern Quebec. Of twenty-four operating mines, twenty-two are in the constituency of Villeneuve. Twenty-five years ago, within the territory now included in that constituency, there were not more than 1,500 to 2,000 people. Today that area has a population of approximately 60,000. The main industries in my constituency are mining, agriculture and lumbering.

The speech from the throne deals with very important legislation which is to be enacted by this parliament, but it is not my intention to analyse that speech. The mover

and seconder of the address, the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing), the Prime Minister (Mr. St. Laurent), the Leader of the Opposition (Mr. Drew) and many other distinguished members have reviewed that legislation, and I only wish to say a few words about two or three items. No doubt you have guessed that I would like to say a few words on the Emergency Gold Mining Assistance Act. Since His Excellency opened the first session of the 21st parliament many countries, including Canada, have devalued their currencies. The Minister of Mines and Resources (Mr. Gibson) gave a statement concerning the continuation of aid under that emergency act, in which he said that the legislation would be amended at the end of the calendar year 1949 and would be abandoned at the end of 1950.

I want to point out to hon. members that the mining industry is very important and should not be permitted to decline; that nothing should be left undone to encourage the discovery of new mines. Prospecting has been on the decline for the last three years or so, owing to the fact that the real prospector, the artisan, the man who may discover a new mine, has not been able to go into the field because of lack of funds and also because of a lack of support on the part of the public. We hope that a revival of public interest will provide prospectors with the necessary money to continue their work and find new mines. I do not believe most people realize that base metal mines are found when the prospector is looking for gold mines. We do not know the exact reason for that, but it is a fact, especially in northwestern Quebec and I believe also in northern Ontario, that all the base metal mines have been found by prospectors looking for gold. We have a good example in the Noranda mine, which was found by a prospector looking for gold. Similarly the Waite Amulet mine, the Golden Manitou, and recently the East Sullivan mine, all were found when prospectors were looking for gold. So it is important that we encourage prospecting.

During the last two or three years many mines in process of development have had to close because of increased costs in wages and materials, and also because the price of their final product was too low. Most important of all, but for the aid given under the Emergency Gold Mining Assistance Act many other producing mines would have been forced to close. Fortunately, however, our government came to their aid.

The bonus given by the government under this emergency legislation may be wrongly interpreted by some hon. members, but I would like them to understand that this industry is very important in my constituency and those surrounding it. Many cities depend upon the gold mines, as well as many towns and villages, so you will realize the importance of keeping them in operation. I hope they will also realize that some day these mines will be a great asset to the country, because mining has become an integral part of the Canadian economy, on which it has an important stabilizing influence.

Immediately following mention of the Emergency Gold Mining Assistance Act in the speech from the throne we see, "Prairie Farm Assistance Act." I wish I might also find mention of a clay belt farm assistance act. I would not want to paint the position of our farmers in black, but I would like to explain to the best of my ability the situation that exists in my constituency and in others along the clay belt which extends from Senneterre in Quebec to Hearst in Ontario. In the riding of Villeneuve farming is a relatively new industry, having been established only some twenty-five years ago. Now many of our farmers are at a stage where they need help and guidance! They need help in connection with their livestock, and in connection with the classification, storage and distribution of their products. Studies of these various problems are now being made by local organizations, but it is only with the help of duly qualified technicians and financial aid from the government that a program of such breadth can be carried out. We have the markets. There are over forty thousand people in the cities and towns I have mentioned. Carloads of such commodities as meat, vegetables, dairy products and poultry come from outside the district and are distributed by many merchants in the different localities. In such a situation you would think the local products would find an outlet. I believe hon. members are aware of the fact, however, that a grocer cannot buy products that are not classified. If he is not assured of a steady flow of products from these farmers, he cannot buy from them.

Our farmers need a distribution centre in which they can find facilities such as slaughter houses, cold storage and good management for the distribution of their products. These facilities are lacking, so the flow of products is not steady. This is partly due to a lack of guidance in distribution. Further progress could be made by a livestock improvement program, jointly operated with a program for the development of grasses. This would enable the farmers of the district to continue the production of livestock on a sustained basis. This applies to other areas along the clay belt as well as to the grey wooded soils of western Canada.

I should like to say a few words about forest conservation, Mr. Speaker. In our district there are many areas of waste land which are called muskegs. These muskegs could be drained and some time in the future covered with a lovely forest. When roads were built and ditches dug through these muskegs, it was found that the water ran away and trees started to grow. In a few years extensive changes were noted in such areas. If studies were made and experiments were undertaken in the provinces of Ontario and Quebec, as well as the many other portions of Canada in which we have such waste land, I believe it could be made productive. It is something that should be done.

(Translation):

I do not wish to try the patience of my hon. colleagues. We all have problems, but I intend to emphasize ours because they also happen to be yours.

It is said that the future belongs to Canada. I contend that Canada's future lies north of the 48th parallel. Our fabulous mining resources are as yet virtually untapped. We have huge forests, of incalculable wealth. Agriculture is doing well; with a little assistance, at least of a temporary nature, that part of the country will boast farms second to none.

Mr. Speaker, allow me to thank you for your kindness.

(Text):

Mr. W. R. Kent (Humber-St. George's): Mr. Speaker, as another of the elected representatives of the new province of Newfoundland, I trust you will think it not inappropriate if I crave the indulgence of the house while I say a few words on the occasion of my being admitted to the fellowship of this house. I say "fellowship" advisedly because of the warm reception I have received from all hon. members I have met since coming to Ottawa. I wish to thank them for the many kind offices that have been performed for me. I may say that I am quickly getting to feel that I am not a new member, but an old member. I wish to thank all those who have given me such a warm reception and to say that I feel the welcome to me is not only a personal welcome, but a welcome to Newfoundland as well.

May I be permitted to congratulate you, Mr. Speaker, on your elevation to the high position you now hold? I should like also to congratulate the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing), the mover and seconder of the address in reply to the speech from the throne. Not making any claims to being a speaker myself, I can well appreciate the eloquence and the delivery exhibited by these speakers in the excellent addresses they presented.

May I also place on the record my congratulations to the Prime Minister (Mr. St. Laurent) on the splendid victory which he achieved on June 27. I can assure him that the radio reports were enthusiastically received in Newfoundland.

I think it a thrilling and splendid thing that the dream of the fathers of confederation has at last been realized. Newfoundland is now a part of Canada and Newfoundlanders can join hands with the peoples of the other provinces from St. John's, Newfoundland, to Vancouver island as a united Canada, truly from ocean to ocean, and play their part with them as fellow Canadians.

During the war years when members of the Canadian forces were part of the visiting forces in Newfoundland, strong individual friendships were formed between men and women of the armed forces of Canada and Newfoundlanders wherever in that country those forces were stationed, and although some time has elapsed since then, these warm friendships still exist and will continue to do so and serve further to strengthen in a personal way the ties of our political and economic union. Yet another bond is that forged in war between the men and women of Newfoundland who served side by side with Canadians in the armed forces of Canada.

At this time, perhaps I may be permitted to say something of the facts which led up to the union of Newfoundland with Canada. As all hon. members no doubt know, before the union with Canada Newfoundland was governed by a form of government known as a commission of government. This government took office in 1934 when the letters patent of Newfoundland were suspended by act of the United Kingdom parliament and a commission of government was set up under new letters patent. It was never contemplated that commission of government should be a permanent form of government in Newfoundland. On or about December 11, 1945, Prime Minister Attlee announced that, to enable the people of the island to come to a free and informed decision as to their future form of government, a national convention would be elected to inquire into the financial and economic position of the island and to make recommendations to His Majesty's government with regard to possible future forms of government for submission to the people in a national referendum. Accordingly in 1946 the national convention was set up in Newfoundland. The act setting up the

national convention was Act No. 16 of 1946. Section 3 of that act reads:

> It shall be the duty and function of the convention to consider and discuss among themselves as elected representatives of the people of Newfoundland the changes that have taken place in the financial and economic situation of the island since 1934, and, bearing in mind the extent to which the high revenues of recent years have been due to wartime conditions, to examine the position of the country and to make recommendations to His Majesty's government in the United Kingdom as to possible forms of future government to be put before the people at a national referendum.

The national convention was then set up and its deliberations began. During the course of those deliberations a delegation was sent to Ottawa to discuss the possible terms of confederation.

On motion of Mr. Kent the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull) moved the adjournment of the house.

Business of the House

He said: On the order paper tomorrow will appear a bill to amend the Criminal Code. This is a bill coming from the senate. The purpose of these amendments is to adapt the Criminal Code to Newfoundland. I understand that the Minister of Justice (Mr. Garson) has consulted the Leader of the Opposition (Mr. Drew) and the leaders of the other parties, and that tomorrow he will ask for the unanimous consent of the house to proceed with the various stages of this bill. I understand there is some urgency for the passing of this measure. We shall then take up the debate on the second reading of Bill No. 2, to amend the Supreme Court Act, and on the proposed amendment thereto of Mr. Drew. Later we shall move to go into supply, bringing in three or four new departments, and shall proceed with the estimates of the departments of Agriculture and Justice.

Motion agreed to and the house adjourned at 10.57 p.m.

HOUSE OF COMMONS

Tuesday, September 27, 1949

The house met at three o'clock.

NAVIGABLE WATERS PROTECTION ACT

POLLUTION—CONTROL OF INDUSTRIAL PLANTS AND OIL REFINERIES

Mr. Rodney Adamson (York West) moved for leave to introduce Bill No. 6, to amend the Navigable Waters Protection Act.

He said: The purpose of this bill is to amend and enlarge sections 19, 26 and 28 of the Navigable Waters Protection Act. When the act was originally passed it prohibited the pollution of navigable waters by saw mills. Section 19 of the original act prohibited the discharging of sawdust or other waste wood products into navigable waters or waters running into them. The proposed amendment enlarges the list of materials which may not be thrown or discharged into navigable waters, so that it will include oil or oil sludge, chemical wastes or other noxious substances likely to pollute the waters and adjacent shore line.

The second clause of this section deals with the discharging of raw sewage into navigable waters. It prohibits any municipality with a population greater than 3,000 from discharging such material.

Section 26 is amended to provide that the Minister of Transport may, if he deems it advisable, appoint inspectors at any plant situated on or near navigable waters, and these inspectors shall have the power to regulate the operation of the plant in this regard, the cost of such inspection to be borne by the plant in question.

The reasons for the amendments to this act are that during the summer of 1949 pollution by oil and the formation of oil slicks created such a hazard to the residents along the shore of lake Ontario that the medical officers of health in Toronto and many other municipalities had to ban the use of the beaches. Thus, in the Toronto area alone, a million people were denied the use of lake Ontario beaches because of the existence of industrial pollution. Whether this was caused by carelessness or otherwise is not important now; the fact remains that large sections of the shore of lake Ontario were made completely unusable. The loss to wild life was considerable, and the damage to shallow-draft and other shipping was extensive. Furthermore the fire danger, particularly in the congested Toronto harbour area, was increased. Three of the beaches in my own riding of York West were put out of commission for considerable periods, including the beach at New Toronto, where the world champion swimmer, Cliff Lumsden, who subsequently won the marathon swim at the Toronto exhibition, had trained. This destruction of swimming and recreational facilities, particularly, as in this case, during one of the worst heat waves in our history, cannot be tolerated.

I believe it is within the competence of parliament to enact legislation which will safeguard the rights of people who wish to use the waters of our great lakes. The provisions of the bill are directed toward that end.

Motion agreed to and bill read the first time.

RAILWAY ACT AMENDMENT

CONTROL OF SMOKE AND SOOT FROM ROUNDHOUSES

Mr. Rodney Adamson (York West) moved for leave to introduce Bill No. 7, to amend the Railway Act.

Mr. Chevrier: I think the hon. member should explain the bill.

Mr. Adamson: The purpose of the bill is similar to that of the bill I introduced at the last session of parliament. It differs, however, in this way from the previous one: it requires permanent installations of the railway companies to comply with the smoke by-laws of the municipalities in which they are situated. The residual power is still vested in the board of transport commissioners, thus preventing any discrimination against railway companies. It is felt that where a municipality has enacted and enforced an anti-smoke bylaw in order to safeguard the well-being of the people within its boundaries, the railway companies, as well as other industrial plants, should comply with the local regulations. The present act, and the regulations, which were drafted in 1908, allow the emission of smoke and soot into the atmosphere in quantities which are certainly prejudicial to the neighbourhood in which any roundhouse is situated.

Evidence is being collected in York township and the adjacent area of the city of Toronto, and I hope that when the bill comes

up for second reading the government will allow it to go to the railway committee so that all the facts can be brought out, with a view to adopting this or a similar amendment in order to prevent the present great annoyance.

Mr. Smith (Calgary West): Does it apply to the city of Ottawa, for example?

Mr. Speaker: I should like to point out to hon. members that when a bill is introduced a short explanation may be given, but the bill should not be discussed. See Beauchesne, second edition, reference 738.

Motion agreed to and bill read the first time.

CRIMINAL CODE

PROVISION FOR ADAPTATION TO NEWFOUNDLAND

Hon. Stuart S. Garson (Minister of Justice) moved the first reading of Bill No. 4 (from the Senate) to amend the Criminal Code.

He said: With the permission of the house I should like to set forth the reasons why it is advisable, if it meets with the approval of hon. members, to have this legislation pass through its three readings today. To this end I spoke yesterday to the leader of the opposition (Mr. Drew), and to the leaders of the other parties, or their representatives.

At the last session a Criminal Code amendment bill was brought in covering a large number of sections, some of them contentious. It was not passed. Later this session it is our intention to bring down a further amendment to the Criminal Code containing these contentious sections, but we have taken out from the contentious sections those dealing with the two matters which are covered by this bill from the Senate.

Item No. 1 deals with the amendments necessary in order to adapt the Canadian Criminal Code to Newfoundland, and which are to be passed in consequence of the admission of that province into confederation.

Item No. 2 is an amendment to defer the coming into force of a new part XVI of the Criminal Code. This new part XVI of the Criminal Code was enacted by a previous parliament in legislation passed some time ago. It enacts that there should be substituted for the existing part XVI a new part dealing with the summary trial of indictable offences by police magistrates. That legislation was to come into effect on October 1, 1949, but we have received from the provincial authorities of Nova Scotia, New Brunswick, Ontario, British Columbia, and my own province of Manitoba, information that their magistrates' courts are not yet organized to administer part XVI in its proposed new form. They have asked that we, by means of section 8 of the Senate bill now before us, should bring new part XVI into operation, not on October 1, as was originally provided, but by proclamation of the governor general in council. The idea is that they will let us know in due course when they are ready to enforce the new part XVI and then we will put it into effect.

Since these consequential amendments which are introduced in order that the Criminal Code may be brought into effect in Newfoundland, as well as the other matter referred to, are both non-controversial, it was thought there would be no objection on the part of hon. members to having the bill given its three readings today, so that it may be assented to by the governor general and take effect by October 1 next.

Mr. Drew: I should like to mention just two minor points. Section 3 of the bill contains a provision that the Criminal Code shall be amended to read "in the province of Newfoundland, any judge of a district court," etc. The bills introduced to make the Criminal Code applicable to Alberta and Saskatchewan read "a judge of any district court". Is there any significance in that change?

Mr. Knowles: On a point of order, Mr. Speaker—

Mr. Speaker: I think I anticipate the hon. member's point of order.

Mr. Knowles: Standing order 71.

Mr. Speaker: Of course no debate is permitted on first reading of a bill, but I understood that the Minister of Justice was setting forth why he would like the bill to be given all three readings today. Would it meet with the approval of hon. members if we now give the bill first reading and then go on to the motion for second reading?

Motion agreed to and bill read the first time.

Mr. Garson: I now move second reading of the bill. Before the motion is dealt with, however, I should like to reply to the question raised by the leader of the opposition.

Mr. Speaker: Order. I would remind hon. members that on second reading it is not customary to discuss the clauses of a bill. That is done when the house goes into committee. The only question that may be discussed on second reading is the principle of the bill, and each hon. member is allowed to speak only once in that debate. The minister who has introduced the bill has the right of a reply.

Mr. Drew: The Minister of Justice has introduced a bill and has asked for unanimous consent to have it proceeded with. Certainly

at some point the minister should answer minor questions which would have a bearing on the consent which may be given. I do not think there is any substantial objection to his suggestion, but this would seem to be an appropriate time for the minister to explain two minor matters, after which there may be no further comment on the measure. I suggest it might be done more appropriately now than in committee, because we are being asked to agree that this bill be given all readings today. I am sure there will be general agreement, but first we should satisfy ourselves as to these minor matters.

Mr. Speaker: I should think that would be generally acceptable to the house. The minister might like to know what questions are being raised, in order that he may answer them. Perhaps the leader of the opposition would ask his questions now.

Mr. Drew: The other point is in regard to the procedure under which the first seven sections of this bill will become operative. I understand that a step will have to be taken under the terms of agreement with Newfoundland in order to make these amendments applicable. I should think it would be of interest to hon. members from Newfoundland to know what steps will be taken outside of this bill to bring about that result.

Mr. Garson: That was the second question?

Mr. Drew: Yes; those are the two points.

Mr. Garson: So far as the first question is concerned, I do not think there is any substantial difference in meaning between subsection (iva) as contained in section 3 of the Senate bill, where it says "any judge of a district court", and the language to which the hon. gentleman referred, "a judge of any district court", as used in connection with another province. I might add that the question of the district court judges is still in the course of negotiation, even with regard to their number. Many of them have yet to be appointed, so it may turn on that point; but I do not think there is any difference in substance at all.

With regard to the question of bringing this bill into effect, as I indicated on a previous occasion,—to which I suppose I am not permitted to refer—in dealing with amendments to our statute law consequent upon Newfoundland's entering into confederation, from the beginning there has been the closest co-operation and consultation between the law officers of the Department of Justice and the law officers of Newfoundland, and that will be continued in connection with the application of the Criminal Code. In connection with part XVI, for instance, it is necessary that the Criminal Code should be put into effect as soon as possible, but not until the provincial authorities are ready to administer it. In the meantime, of course, the criminal law of Newfoundland remains as it is.

Mr. T. L. Church (Broadview): I want to refer to just a few matters on the second reading of this bill, which has come to us from another place. I believe this is the same bill that was before us a short time ago, relating to Newfoundland. At that time, when we were assembled here before Easter, I suggested to the Attorney General (Mr. Garson) that we should have in this house a legal committee to consider this and other similar bills. Some two years ago I asked the hon. gentleman's predecessor, in connection with this very matter of Newfoundland, whether he would consider setting up what they have in the various provinces—a legal committee which would properly consider bills of this kind, of which we have a large number. Some originate in this house; some come from "another place", which is the term they are now applying to the other house of parliament. There were some twenty of these bills during the last session. The provinces have found it a good thing to have such a committee. It goes over these bills; it has the law officers of the crown in attendance; it hears deputations of various kinds representing people interested in these matters.

It must be remembered that large numbers of people are concerned with these legal bills. Look at the fatalities resulting from the fact that we do not have such a committee. Look at the accidents on the highways and level crossings. I understood the minister's predecessor to say he would consider setting up such a committee. Then, as I said, I asked the present minister, who is also the Attorney General of Canada, whether he would consider it, and I thought he said he would. In my opinion such a committee would be a great help to the minister.

I cannot find any record of this bill having been sent to any committee in the other place, but it had summary discussion by three or four members of that chamber, and finally it was passed and sent to this house.

There are two or three things I should like to point out about Newfoundland. Newfoundland has become the tenth province of confederation. At the time, that province was under the jurisdiction of the British parliament and had a commission form of government which governed Labrador as well. Two years ago there was a discussion in this house about Labrador's natural resources—I was on the committee. Until recently Newfoundland had no parliamentary form of government. What is it proposed to give to the tenth province through this bill? It is

supposed to be dealing with amendments to the Criminal Code, but it deals also with a large number of other matters.

I point out what has been said in the British parliament by Right Hon. Sir Hartley Shawcross. Mr. Churchill asked for law reform, and referred to the fact that of the 40,000 orders in council which had been passed, only three or four had reached finality in the privy council. You have been a great lawyer, Mr. Speaker, and, occupying the high office you do, you must appreciate the fact that no one knows the law contained in those 40,000 orders in council until it is finally decided in the court of last resort. Nearly 80,000 orders in council were passed here during the war.

The Attorney General of the United Kingdom was asked by the leader of the opposition, Mr. Churchill, about the state of the law. He said law reform was needed. Surely Newfoundland is entitled to some law reform. Years ago Canada was granted the right to abolish criminal appeals to the privy council. In the British House of Commons there was a discussion on means of securing finality on law reform. Law reform has been talked about in this country, but we have had no semblance of it. A private member can raise these questions in the house, but that is the end of it. As I said before, there were some 40,000 orders in council passed by the British House of Commons, but no one knew the exact state of the law. No one can be sure of the law until there has been a final determination by the privy council.

This is the sort of law you are giving to Newfoundland. Automatically Newfoundland is being given the laws to which she has been objecting. That is the point to which I am objecting in relation to this bill. I believe the bill should be re-introduced in this house, and a legal committee should be set up to consider it. I want to help the government, and I am giving them a constructive suggestion, namely, to beware of the law that is passed on to the tenth province. It is my understanding that this province has one small jail, and only a small percentage of the population has ever occupied it. I am told that a number of prisons in Great Britain have been closed. What means was used to do this? An opportunity was given offenders to delay the payment of fines.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Dion in the chair.

Sections 1 to 4 inclusive agreed to.

[Mr. Church.]

On section 5—*Absolute jurisdiction in certain cases.*

Mr. Fraser: May I ask the purpose of setting out the cities of Saint John, Fredericton and Moncton in the province of New Brunswick? Have they laws which permit of a different arrangement?

Mr. Garson: I am not sure that I heard the whole of my hon. friend's question; if I misinterpret it, I hope he will correct me. The purpose of this amendment, as is stated in the explanatory notes, is to extend to Newfoundland the provisions of paragraph (c) of subsection 1 of section 777, whereby magistrates are given absolute jurisdiction, without the consent of the accused, to try certain indictable offences. Such jurisdiction is not as a rule given to magistrates in small centres in certain provinces. It is for this reason that those cities are set forth in subsection (c) of clause 5 of the bill.

Mr. Fraser: There is that difference in New Brunswick, whereby only certain ones are selected?

Mr. Garson: Yes.

Mr. Church: How many magistrates are there in Newfoundland now, and how many is it proposed to have? Powers are given to magistrates which, with all due respect, I believe should not be given. The jurisdiction granted by this section is rather wide; it permits a magistrate to try grave offences. In England I believe the maximum sentence a magistrate can give is thirty days.

By this bill you are giving a magistrate all the powers of a county court judge. According to the marginal notes, the purpose of the amendment is to extend to Newfoundland the provisions of paragraph (c) of subsection (1) of section 777, whereby magistrates are given absolute jurisdiction, without the consent of the accused, to try certain indictable offences. It is my belief that magistrates in Ontario should not have this jurisdiction. Some grave cases are brought before magistrates, most of whom are not like the late Colonel Denison, who was senior magistrate, and the late Judge Morson, who presided over the first and tenth division courts. There are four or five county court judges doing the work Judge Morson used to do in the first and tenth division court. I object to conferring this jurisdiction upon magistrates in Newfoundland. It will necessitate the maintenance of a huge system which that province does not need. A county court judge could do this work.

I object to the system that is now operated in the city of Toronto, whereby magistrates, instead of trying a case and rendering a decision, merely remand the accused into

custody for a week. There is no place to put the accused. The Don jail and the isolation hospital are located in my constituency. For many years attempts have been made to have them removed. The city of Toronto built two jail farms, one for men and one for women, and at that time it was never intended they should be handed over to anyone else. When I was in charge of the affairs of the city, these two farms were built and the old jail was to be torn down, but it is still there, as hon. members know. I should like the minister to see it. About 400 people are in there; some of them are youths, and some are older. Under the system followed by some of the magistrates, where they remand a man for a week or two weeks, they allow him to get a taste of what the jail is like over there. It was built shortly after confederation. It was condemned when I was a controller. Dr. Hastings, a former health officer, said it was not fit for human beings. It has cell accommodation which is no larger than about the width of this table. It is equipped to handle only about 180 persons, and there are three or four hundred there now. I am objecting to that situation. When Mr. Hepburn was premier of the province he would not allow us to qualify for the fund which was in existence in your province, Mr. Chairman, under which the dominion gave a grant for public buildings. Three Rivers obtained a courthouse. We did not get anything. I ask the minister to consider carefully before he fastens this system on the people of Newfoundland—who have always been law-abiding—without their consent.

Mr. Smith (Calgary West): Is it the idea held by the law officers that there will be what we call travelling stipendiaries, or something of the kind? I am speaking of the quality of the people who will be giving judgment.

Mr. Garson: Yes. Newfoundland had a system of magistrates prior to coming into confederation. At the request of the attorney general of Newfoundland we at this moment have an officer of the Department of Justice conferring with the attorney general's department in Newfoundland with regard to the judicial system by means of which the Criminal Code will be administered in that province. While it has not yet definitely taken shape, and the purpose of this consultation is to determine its main outlines, it is thought that it will take the form in part of magistrates who will be located at various central points and travel out from these points to hear cases.

As I have no doubt they have been in the past, these will be men of good judgment and discretion, well qualified to exercise jurisdiction under section 777. This section, as the hon. member for Calgary West knows, deals with indictable offences such as theft, attempted theft, aggravated assault and indecent assault which, in larger centres only in some provinces, in the whole province in others, and not at all in other provinces, can be tried by the magistrates without the consent of the accused. This law has been applicable, in varying degrees, in all the provinces of Canada up until the present time. The only significance and the only purpose of this present amendment is simply to apply to Newfoundland this same law that has always been in force in the rest of Canada; it is not to make any alteration in the law. Magistrates or other judicial officers who are not competent to deal with cases of this kind will not be appointed.

Mr. Smith (Calgary West): I agree entirely with what the minister has in mind. From the little I know about the settlement of Newfoundland, it is largely along the seacoast. The thought occurred to me that perhaps travelling stipendiaries might be appointed. They have them in Saskatchewan, I know.

Mr. Garson: Yes.

Mr. Smith (Calgary West): I thought perhaps we could expect that that would be done.

Having regard to what is probably in the mind of the hon. member for Broadview, I was wondering about the limitation there might be on giving what is really very wide authority to a magistrate—because tremendous authority is given in this section. As I remember it, a magistrate is defined in the code as having the power of two justices of the peace, and I think there is a further definition which in certain cases does not permit those two justices of the peace to act, but rather a paid magistrate so to speak, who is generally a man with legal training; only to him would go cases of the kind we are now referring to. It would be a desperate thing, it seems to me, if we clothed an incompetent, or, to use a less unkind word, untrained person with the tremendous authority which is given there.

As will be observed, wounding is one of the offences dealt with, or assault occasioning actual bodily harm—one or the other. I know there is a distinction between the two, and I do not remember which one is within the offences dealt with; but serious offences come to them for hearing. It seems to me, in view of the spirit of comity which no doubt exists between the dominion justice

officers and those of the provinces, consideration might be given to having travelling stipendiaries; otherwise you must take the prisoner all over the country, adding to the difficulties, to say nothing of the expense. I hope that is what is contemplated here, so that inconvenience may not be caused to many people other than the accused—and he is probably entitled to be discommoded at times.

Mr. Garson: I am in a rather embarrassing position to forecast what will happen because this whole matter is now under consideration. I believe there is an excellent prospect, shall I say, of appointment being made of the kind of magistrate that the hon. member for Calgary West has in mind. He will see in the bill the definition of magistrate for the purpose of part XVI of the code; it is at the top of page 2. It reads:

In the province of Newfoundland a magistrate means and includes any judge of a district court,—

I am sure he would agree that any judge of a district court would be competent to try these cases.

—any stipendiary magistrate, any two justices sitting together, and any functionary or tribunal having the powers of two justices.

Mr. Smith (Calgary West): It is the last part of it that I was a little bit afraid of.

Mr. Carroll: I should like to bring to the attention of the Minister of Justice the fact that there seems to be a drastic change, so far as Newfoundland is concerned, in the matter of persons charged with crime and wishing to have a speedy trial. I understand that in the province of Newfoundland all supreme court judges are located at and live in the capital, St. John's. If a person is charged with a crime at a place five or six hundred miles from St. John's where there is a district court judge—I do not know their locations down there, but I know there are some in the country—it would take a long time, I should think, for that person to come in to St. John's in order to get a speedy trial. I should like the Minister of Justice to give some consideration to this matter. The suggestion would come better from the lawyers of Newfoundland than from me, but it is just a thought. I am fairly well acquainted with the situation in Newfoundland. It will be inconvenient for criminals—not that we are here to make it convenient for them, but we are here at least to give them speedy trial—it will be inconvenient for those away beyond the bounds of the capital city to get a speedy trial if they can get it only by going before a supreme court judge in St. John's.

Mr. Smith (Calgary West): The accused is probably in the only jail there is, which is in St. John's.

[Mr. Smith (Calgary West).]

Mr. Garson: That is one of the most important questions which the representative of the justice department and the representatives of the attorney general's department of Newfoundland are studying at the present time. They are considering how many supreme court and district court judges will be required, and whether they should go on circuit for the purpose of conducting speedy trials. It is a matter which requires careful consideration, to balance, on the one hand, the convenience of the accused, and, on the other, in a province where there are great distances, the efficient carrying out, at not too great expense, of the administration of justice.

Mr. Coldwell: In Canada a great deal of confusion exists through the use of the term "supreme court." I believe one or two of the provinces have named their courts differently. In order to avoid this confusion, could some arrangement not be made with the provinces to reserve the name "supreme court" for the court of last resort in Canada? Some who speak of the supreme court mean the Supreme Court of Canada, and others mean the supreme court of one of the provinces. We should try to have separate names for the provincial courts.

Mr. Garson: I am afraid that would be infringing on provincial rights, and for that reason we may not be able to comply with the hon. member's request. Under the British North America Act, the setting up of provincial courts comes within the jurisdiction of the provinces.

Mr. Coldwell: I said by arrangement or agreement.

Section agreed to.

Sections 6 and 7 agreed to.

On section 8—*Coming into force.*

Mr. MacInnis: Early this year I received a copy of a letter from the city council of Vancouver which had been sent by the deputy attorney general of British Columbia to the deputy minister of justice asking for the postponement of this legislation. I would not take the time of the committee to make the point now except for the fact that, by this amendment, the amendment to part XVI is to come into effect by proclamation. This may be a neat way of deferring the provision so that it will never come into effect. The Minister of Justice shakes his head. I take it that that is not what he has in mind. One of the important reasons put forward by the deputy attorney general of British Columbia—and it was also emphasized by the city council of Vancouver—was that if

this amendment went into effect it would result in the loss of revenue to the municipality.

When I received the letter from the city council, with the enclosures, including a copy of the letter to the deputy minister of justice, I did as I always do. Not being learned in the law, I wanted to know what the Minister of Justice said when he introduced the amending legislation in 1948. I have high regard for the then minister of justice, and I would require strong arguments before I would disagree with his conclusions on a matter of this kind. What he said on that occasion was brief, and I made it a part of my letter to the city authorities in Vancouver. He said as reported at page 5193 of *Hansard* of June 14, 1948:

> In part XVI, at the present time magistrates in towns of over 2,500 population have jurisdiction that magistrates in towns under 2,500 do not have. Then there are some provisions for cities over 25,000. At the present time the provisions are very complicated indeed. Continual complaints are made about the necessity to ascertain population of a town or a city, and complaints about magistrates having jurisdiction in certain municipalities. The important change is that under Part XVI at the present time there are indictable offences for which an accused person may be tried by a magistrate, whether he consents or not. He does not have the option of trial by jury. If this amendment is passed, then he could not be tried by a magistrate without his consent. That is an important change.

That is what Mr. Ilsley said in explaining the purpose of this amendment when the bill came before the house. If, as the deputy attorney general of British Columbia maintains, this would mean a loss of revenue to the municipality, surely it is neither here nor there. The important thing is that the accused should have an opportunity of saying how he shall be tried; we should not make our courts the means of raising revenue for the municipality. I said this categorically to the city of Vancouver. As I have watched the imposing of sentences in the courts I have come to the conclusion that when a fine is levied, and it cannot be paid, a prison sentence is imposed, so that really in ninety-nine cases out of a hundred when a person is fined, or given the option of a jail sentence, he is jailed not for the crime but because he is unable to pay the fine. In other words he is jailed for being poor and not for having committed a crime. I urge upon the minister that he see that if this section of the bill is passed it be not used as a convenient way of killing the legislation. If justice is to be meted out, the accused must be taken into consideration, not the revenue that may be gained or lost to the city.

Mr. Knowles: May I ask whether, if this section passes, the governor in council will have to wait until all the provinces want to have the act proclaimed, or will it be possible to proclaim it for such provinces as are ready for it?

Mr. Garson: I think I should preface my answer to that question by saying that the new part XVI was introduced with the intention that it would come into effect in the ordinary course of events and be the law of the country, and it has been so received by those other provinces. I am told, and I believe, that they have made the best efforts they can to get their house in order so that they can do a good job of administering the new part XVI. Our hope is that with what they have already done they will finally achieve competence to administer the new part XVI. We would not wish to discommode anyone by delay in proclaiming the new part XVI. We are keeping in contact with the provinces and we intend to encourage any provinces that seem to be hanging back in preparing to take over the administration of that part.

Section agreed to.

Mr. Riley: With the permission of the Minister of Justice I should like to revert to section 5, where reference is made to "the cities of St. John, Fredericton and Moncton in the province of New Brunswick". If my memory serves me correctly, the corporate name of the city of Saint John does not permit any abbreviation such as appears in the subsection. We are jealous of the spelling of the name of our city. In addition, there might be grounds for taking a technical objection. Although a rose by any other name might smell as sweet, we should like to maintain the proper spelling of the name of our city.

Mr. Smith (Calgary West): Substitute "fish" for "rose" and you have it.

Mr. Riley: I do not know who was representing my city when the original subsection was passed, but there would seem to be definite evidence of a progressive conservation of print.

Mr. Garson: I think the hon. member's point is well taken. I would move that the word "St." be struck out and the word "Saint" substituted therefor.

Amendment agreed to.

Bill reported, read the third time and passed.

NATIONAL DEFENCE

LONG BRANCH RIFLE RANGES—COMPLAINTS AS TO SMOKE, EXPLOSIONS, ETC.

On the orders of the day:

Mr. Gordon Graydon (Peel): I wish to ask the Minister of National Defence a question, of which I have given him notice. Last night

and today urgent communications have been coming in to me by telephone and telegram from people who live in Lakeview, Ontario, a heavily populated area in which the Long Branch rifle ranges are located, protesting against the military operations carried out yesterday at the ranges. Heavy explosions are said to have occurred which shook the buildings over a wide section of the area, and dense smoke covered the district. Planes swept low over schools and homes as well. Will the minister make inquiries with a view to protecting the residents of this locality against future occurrences of this kind and give further consideration to changing the location of the ranges to a less populated area?

Hon. Brooke Claxton (Minister of National Defence): I received notice of this question at quarter to three, not having been in my office when it was delivered. In the time since, I have been able to communicate with two senior officers of the army and air force, as well as a senior civilian official, who were present yesterday when this demonstration took place. Based on those inquiries, which represent the information available to me at this time, I may say it appears that five 3-inch and five 4·2-inch mortar shells were fired in this demonstration. In the opinion of these officials they landed at least three-quarters of a mile from the nearest house.

There seems to be some justification for the complaint concerning smoke, which, it was said, was about equal to what would result from a neighbourhood grass fire. Some Lancaster, Vampire and Mustang planes participated in this demonstration. The reports of low flying probably refer to a Lancaster which was demonstrating on the beach of lake Ontario the dropping of Lindholme life-saving gear, and were flying close to the water.

I asked these officers and this civilian if they had any cause for alarm or concern about what they saw, and they said they had not. Viewing the demonstration were some three hundred representatives of industry who were members of the Canadian Industrial Preparedness Association, and none of them appeared to see any reason for making comment or indicating any cause for concern. However, the fact of the hon. member's bringing this to my attention emphasizes the need for the utmost care not to disturb the population in centres of this kind, and I shall see that instructions go out accordingly.

With regard to that part of his question as to the possibility of moving the Long Branch rifle ranges, I may say that this matter has been brought up on a number of occasions in the past. The department and myself have indicated that we should be very glad to recommend to the government the removal of the Long Branch rifle ranges to some other suitable location that would be equally accessible and equally serviced, if that could be done without cost to the government.

LOTTERIES

QUESTION AS TO PROPOSED PROVINCIAL ACTION

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to direct a question to the Minister of Justice. Is the government taking notice of the declared intention of one of the provincial governments to defy the Criminal Code in the matter of lotteries? What stand is the federal government taking in this matter?

Hon. Stuart S. Garson (Minister of Justice): I have no information other than that set out in newspaper reports, and under the circumstances I consider it inappropriate to make any comments.

INCOME TAX

QUESTION AS TO ALLOWANCE OF TRADE UNION DUES AS DEDUCTION FROM TAXABLE INCOME

On the orders of the day:

Hon. Douglas Abbott (Minister of Finance): The question asked by the hon. member for Winnipeg North Centre (Mr. Knowles) has served to remind me that on September 16 he addressed a question to the Minister of National Revenue and myself in the following terms:

> In view of the recent favourable decision by the exchequer court, what action will the government take to provide for the allowing of trade union dues as a deduction from taxable income for income tax purposes?

In reply to the part of the question which applies to my department, may I say that the exchequer court decision referred to by the hon. member for Winnipeg North Centre was in connection with a claim by a taxpayer that, in computing his 1945 income tax, union dues should be properly deductible in computing his income. The exchequer court upheld the claim, just as in two previous cases they had upheld the claim that fees paid to professional organizations were deductible by lawyers, even though they were receiving salary income.

The hon. member may recall that following these previous decisions in the Bond and Rutherford cases the Income War Tax Act was amended in 1948 to bring it into line with the previous general interpretation of the law, namely, that wages and salaries were net income for tax purposes. The law as amended in 1948 to conform with previous

practice was carried forward into the new act.

My colleague the Minister of National Revenue will answer the question in so far as it relates to years prior to 1948.

Hon. J. J. McCann (Minister of National Revenue): The judgment of the exchequer court in the case of Cooper v. the Minister of National Revenue was in respect of the 1945 taxation year. In respect of claims by taxpayers for that year, and for the years 1946 and 1947, which are not statute barred, the department will make adjustments in accordance with the exchequer court decision.

Mr. Knowles: Mr. Speaker, since it is not possible to pursue this matter on the orders of the day, I will do so on another occasion.

BELL TELEPHONE COMPANY

APPLICATION FOR RATE INCREASE IN ONTARIO AND QUEBEC

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to direct a question to the Minister of Transport. Has the Bell Telephone Company applied to the Board of Transport Commissioners for Canada for an increase in rates in Ontario and Quebec? If so, can the minister tell the house the status of the application?

Hon. Lionel Chevrier (Minister of Transport): The answer to the first question is no. The answer to the second question is: Answered by the answer to the first question.

Mr. Knowles: Something's fishy.

INQUIRY OF MINISTRY

REFERENCE TO "TRAIN OF TOMORROW"

On the orders of the day:

Mr. G. A. Cruickshank (Fraser Valley): I should like to direct a question to the Minister of Transport. Is the Canadian government or the Canadian National Railways considering the purchase of a "Train of Tomorrow" for the benefit of the Ontario and Quebec members? It is urgent, because they will need it on Thursday.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed, from Friday, September 23, consideration of the motion of Mr. Garson for the second reading of Bill No. 2, to amend the Supreme Court Act.

Mr. T. L. Church (Broadview): I wish to continue what I was saying the other day and address the house on this measure. In the few minutes left at my disposal I desire to reassert some of the prineiples which I hold as to this particular bill. In the first place I wish to state that I was not offering any criticism of my leader the other day when I said to the Minister of Justice (Mr. Garson), who introduced the bill, that it was a strange proceeding. It was a very strange proceeding. I could not get a copy of the English version of the bill until some time after its introduction. The French version was not printed. In many respects the situation was similar to that which existed as to the Bell Telephone bill of 1947 in the other place. That bill was not printed in English and French. They only had a typewritten copy and they gave second reading to it. If we are to have rules, let us abide by them in this house and in the other place.

I should like to refer to what the minister said on the second reading of the bill on the 20th of September. I want to ask him if now is the proper time to introduce such a measure. It is nothing but a political bill. It is a coercion bill. Sir Wilfrid Laurier never introduced such a bill. It simply is a bill to coerce the two central provinces to accept something in which they do not believe. I can tell you that I have been opposed to such bills from the beginning, from the time when Mr. Cahan was in the house. I wish to point out to the house that we should have a legal committee to consider these bills word by word. Nobody knows what the language is. The other day I referred to what they did in England where, out of 40,000 orders in council, only four ever came before the court of last resort. In Canada only three or four out of 120,000 orders in council passed during the war have come before the Supreme Court of Canada. How can anybody know the law? There is no finality to it.

I object to the bill on the ground that the matters involved are only secondary. I named them on Friday. They are secondary matters which can be easily delayed. We should have a legal committee to go over such bills clause by clause and examine them word by word. We should have a proper committee to consider them. It is in the interests of the minister to have one. I do not know why he does not have such a committee. The matters involved are only secondary until such time as the primary matters are dealt with. For that reason I moved the six months hoist for the four bills that were introduced in the last four sessions by a private member of the house.

A much wider bill has now been introduced by a minister of the crown. I should like to ask him if this is the method that Canada should adopt in order to be free? Is it the life, the truth and the way for a young nation

of only eleven million people at this time? Is the method proposed by the government the only way? My answer to that is that it is not the only way. It is neither the time nor the life nor the truth nor the way, and this young nation should not follow such a course.

There are going to be nine judges of the Supreme Court of Canada. The United States, with a population of 138 million people, has only that number. Canada, with a population of a little over eleven million, is going to put on the airs and manners of a great nation and deal with status, autonomy and sovereignty. "Sovereignty" is the new word that is used. Away back in 1891 Sir John A. Macdonald said, "We govern ourselves as we please".

Canada is independent of the mother country. They have never tried to interfere with us. Sir John A. Macdonald said:

> For a century and a half this country has grown and flourished under the protecting aegis of the British crown. Under the broad folds of the union jack, we enjoy the most ample liberty, we govern ourselves as we please, and at the same time we participate in the advantages which flow from association with the mightiest empire the world has ever seen.

He goes on to refer to the matter in that way. On the 30th of June, 1942, I said in the house, referring to the visit of the king and queen to Canada in 1939:

> The visit in May, 1939, three months before the war, showed the great popularity of the king and queen in their visit here, but the decline and decay of our parliamentary institutions had already set in, because of the fact that we had surrendered our rights and privileges and functions to bureaucratic boards of all kinds and to the executive, especially under the present Minister of Finance (Mr. Ilsley).

I pointed out that was a serious mistake. Sir John A. Macdonald dealt with that question, and very properly so. As I said during the debate on the Cahan bill, we want a British North America Act for the living and not for the dead, a British North America Act brought up to date to meet changed conditions. The only way to do that is by a conference with all the provinces, as they seem to have had a pact or contract when they came into confederation. Especially do we need this now in 1949. After two long wars the subjects of education and public health should be written into the original B.N.A. Act. Until recently Canada had only a skeleton health department, although it did good work particularly with reference to immigrants. I support the motion of my leader for the six months hoist. I moved such a motion against similar proposals when privy council bills were introduced by private members. At that time I wanted a legal committee of the two houses of parliament to consider such measures, or a legal committee of the House of Commons. We should have had one long ago in the house. When Mr. Ilsley was Minister of Justice he said he would consider my proposals, and I understood the present Minister of Justice (Mr. Garson) to say that he would do so too.

There are certain economic truths in connection with this measure, and I believe they should be applied here. We should have the maintenance of internal law and order so that men may reap what they sow. We should have impartial justice administered by the judiciary, freedom from interference and oppression on the part of the executive. You should not be afraid to tell the people you made a mistake, because these days the people do not expect their rulers to be gods. Always tell the people the truth, the whole truth and nothing but the truth. You can ask them to make sacrifices, without fear; but you cannot ask them to accept the sort of things that are in this bill.

This seems to be a conflict of lawyers. Sir Allen Aylesworth did not believe in this procedure. He was Minister of Justice in this house, probably the most able man we ever had. He used to appear before the court of appeal when I was a law student; and he was a great friend of the hon. member for Temiscouata (Mr. Pouliot). At times he would have the whole docket to himself. He had a great sense of humour, which is a wonderful thing for any man to have. About a quarter to five in the afternoon he would say, "Now, my lords, we have been sitting since ten o'clock this morning, and there are certain places that close at five o'clock in the afternoon." I do not know what those places were; they may have been department stores or other places but the appeal judges would all laugh at this act. Sir Charles Fitzpatrick was also minister of justice and attorney general of Canada and later lieutenant governor of Quebec. He was Chief Justice of the Supreme Court of Canada, a great lawyer; and he disagreed with the present government on this matter. So did my right hon. friend the Prime Minister when he was president of the bar association, and there have been many others, including Sir Lomer Gouin, former minister of justice and former premier of Quebec. Here is what the Lord said about lawyers in Luke 11, verses 43 to 47:

> 43 Woe unto you, Pharisees! for ye love the uppermost seats in the synagogues, and greetings in the markets.
>
> 44 Woe unto you, scribes and Pharisees, hypocrites! for ye are as graves which appear not, and the men that walk over them are not aware of them.
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> 45 Then answered one of the lawyers, and said unto him, Master, thus saying thou reproachest us also.
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> 46 And he said, Woe unto you also, ye lawyers! for ye lade men with burdens grievous to be borne,

and ye yourselves touch not the burdens with one of your fingers.

47 Woe unto you! for ye build the sepulchres of the prophets, and your fathers killed them.

Then later:

52 Woe unto you, lawyers! for ye have taken away the key of knowledge: ye entered not in yourselves, and them that were entering in ye hindered.

53 And as he said these things unto them, the scribes and the Pharisees began to urge him vehemently, and to provoke him to speak of many things:

54 Laying wait for him, and seeking to catch something out of his mouth, that they might accuse him.

Then in chapter 12, in regard to hypocrisy:

25 And which of you with taking thought can add to his stature one cubit?

27 Consider the lilies how they grow: they toil not, they spin not; and yet I say unto you, that Solomon in all his glory was not arrayed like one of these.

34 For where your treasure is, there will your heart be also.

Those are the words of scripture, which were quoted in the other house by Sir Allen Aylesworth, who also quoted the Acts of the Apostles, which were written by the great prophet St. Luke. Here we have a division of lawyers. Fortunately, perhaps, this is not going to be dealt with by lawyers alone. When similar bills were introduced by hon. members to my left I moved the six months hoist. Many years ago, when Mr. Cahan introduced similar legislation, I also opposed it. At that time I said the Supreme Court of Canada was constituted by parliament under certain provisions contained in the act, which I read the other day and need not repeat at this time.

They had a situation like this in Quebec, and even away down in Louisiana. We all remember what happened down there, when Mr. Roosevelt was the great president of the United States and Huey Long was a supporter of his. As you will remember, Mr. Speaker, Louisiana was purchased by the United States from another country; but when Huey Long came into power he simply wiped out the treaty and everything else. The same thing would have happened in Quebec but for the privy council, which has always been the protector of the rights of the provinces and the municipalities. The other day in this house I was referring to the case of the Toronto Electric Commissioners v. Snider. First it was dealt with by a learned county court judge of the county of Wentworth, a great lawyer. He gave a decision, following which an application was made to Mr. Justice Mowat for a mandatory injunction, which was refused. Then the parties went to the Toronto assizes, where there was a trial and again the plaintiff lost. After that the matter was taken to the court of appeal, where the appeal was dismissed. That was the third defeat for the city. After that they did not bother to come here to this famous court; they asked for leave to appeal to the privy council, and leave was given. Following that appeal Lord Haldane gave an important decision, which helped the whole country. It was a declaration in regard to property and civil rights in the provinces. That judgment declared that the provinces were supreme; that matters between employers and employees came directly under the provinces, under section 92 of the British North America Act; and by that judgment the Lemieux act was upset.

The legislation before us today is directly opposed to that principle. I say it is also against the principles of Liberalism. It would be far better if we had a legal committee. It would be better if the minister would accept the suggestion of the leader of the opposition that we should have a joint committee of both houses to rewrite this statute. Certainly that would keep this government and the minister out of trouble, because the country is not ready for this yet. Our people are not going to make a scrap of paper out of the British North America Act. Why should we do that at the present time? We want an act for the living, not for the dead. How can the private members of this house, many of whom have come here from municipal councils, support a bill like this? I can tell you this, that although the government desires the passing of this bill, I do not believe it will ever be passed because this is not the proper moment for it.

There are one or two other matters I should like to mention. I agree entirely with the stand taken by Premier Duplessis in a speech he made the other day at the opening of a bridge. He said that although there are ten provinces there is only one province with a minority and that is the province of Quebec. The premier of Quebec says he is going to guard against any encroachment on provincial rights.

I quote from a newspaper report of the speech by Premier Duplessis:

In his speech, Premier Duplessis recalled the memory of the St. Eustache patriots, who, in 1837, fought to obtain responsible government, also events of 1841, when Quebec and Ontario were united, only to fail to come to reach accord on major national questions. In 1867, he said, representatives of the provinces of Quebec, Ontario, New Brunswick and Nova Scotia, had agreed on a confederative pact, handing over to a central government powers to deal with national problems, but retaining unto themselves the full authority to deal with matters pertaining to the protection of their rights and privileges. It was a pact, a contract, not a statute, as suggested by Prime Minister St. Laurent, a pact that could not be changed without the full consent of the parties concerned, signatories to the pact.

Mr. Ferguson, when he was premier of Ontario, was opposed to the passing of any measure such as this. I have always opposed these changes, and I believe that this is simply a coercion bill.

In 1896 the Laurier government came into office as a result of the general election which was held in June of that year. It so happened that education was not a federal burden but a matter expressly for the province. The Greenway government in Manitoba abolished separate schools in that province, and it was decided that Ottawa could disallow any provincial statute. Section 93 of the British North America Act says that the province can make laws exclusively on education. If it is the desire of the government to write a new British North America Act, then let it be done in the same manner as it was accomplished in the first place. The inclusion of the tenth province should be a fine opportunity. I do not believe in this way of doing business. The privy council has rendered decisions on sections 91 and 92 of the British North America Act, and some such independent body is needed to pass judgment in cases of this type. I do not believe there is any Canadian body that could give such decisions.

There are Canadians who are members of the imperial privy council. The meetings of this body are held in a private room and gowns are not worn. It has been stated that its central location is the only reason the privy council meets in London. In conclusion, may I say that I do not believe in this manner of doing business. The government will be sorry they ever touched this matter. I represent a large body of public opinion in this country that believes this is not the time, during the dollar-pound crisis, to give the mother country a black eye. This seems to be a separatist movement.

During the first war a million men went from this country, and what was good enough for them is good enough for those of us who stayed at home. I do believe the moment is not opportune for the passing of such a bill and this house would be well advised to let the matter stand for a year.

Mr. Jean François Pouliot (Témiscouata): I am sorry to have to disagree with the member for Broadview (Mr. Church). He has such a positive mind, I cannot understand how he could support a negative amendment such as the one sponsored by his leader. Perhaps he has forgotten that seventy-four years ago, when the supreme court bill was adopted, the then minister of justice drew the attention of the house to the fact that the privy council was no longer a court of prerogative. An English statute had changed it into a court of judicature.

[Mr. Church.]

Seventy-four years ago, the minister of justice said he hoped that before long appeals to the privy council would be abolished. At that time, Mr. Speaker, an amendment to that effect was moved by Mr. Irving, who was a British-born reformer. It is exactly the same language as section 54 of the Supreme Court Act, which reads as follows:

> The judgment of the court shall, in all cases, be final and conclusive, and no appeal shall be brought from any judgment or order of the court to any court of appeal established by the parliament of Great Britain and Ireland by which appeals or petitions to His Majesty in council may be ordered to be heard, saving any right which His Majesty may be graciously pleased to exercise by virtue of his royal prerogative.

The only change was that in the amendment moved by Mr. Irving seventy-four years ago "His Majesty" was "Her Majesty". The obvious reason for the last part of this amendment, which is now section 54 of the act—

> —saving any right which His Majesty may be graciously pleased to exercise by virtue of his royal prerogative.

—is that the imperial act, which had been passed in 1874 and was supposed to come into effect in the autumn of that year, was postponed until late in 1875. The Supreme Court Act was sanctioned on April 8, 1875, and the imperial statute changing the court of prerogative into a court of judicature in England came into force several months later. It was entirely due to that interval of time that the reservation was made in the last line of section 54 of the act, which was section 47 of the original act, 38 Victoria, chapter 11.

If the leader of the opposition had read the reports of the debate of 1875 concerning the establishment of the supreme court he would have enjoyed reading the following remarks by the then minister of justice, as they appear at page 286 of *Hansard* of 1875.

> In view of the law recently passed in England, which was intended to have come into effect on the 1st November, 1874, but the operation of which had been postponed up to 1st November next, establishing a supreme court of judicature, he thought the realization of his desire in respect to this matter was likely to be fulfilled. Under this law the jurisdiction of the judicial committee of the privy council would be transferred to the Supreme Court of Judicature sitting in London. He did not think the right of appeal would not then be prized so much as it was now, because the new court in London would be a court of law, and not as the privy council is, a court of prerogative. He would like very well to see a clause introduced declaring that this right of appeal to the privy council existed no longer. There were very strong reasons in favour of the right of appeal to the privy council, but the reasons against it were still stronger. The right of appeal had been rather extensively used, and he might add, considerably abused in the province of Quebec, by wealthy men and wealthy corporations to force suiters to compromise in cases in which they had succeeded in all the tribunals of the country. However, as he had

already said, he had made no mention of the matter in the bill now before the house, but left it to be disposed of at some future time.

He had preserved in the bill some provisions which had been put there by Sir John A. Macdonald, who was then the member for Kingston. This happened on February 23, 1875. I shall read further at page 755, from the remarks of the then minister of justice. But before I do so hon. members might be interested to have me point out—and it may surprise the leader of the opposition (Mr. Drew)—that everything was said in the third person. The word "I" was ignored. When the then minister of justice was speaking, he was speaking in the third person of the singular, of course. At page 755 we find the following:

He foresaw that at a day not distant, the appeal to the privy council would end, and he would not be so anxious to have this measure passed. After January next, instead of an appeal to the foot of the throne, as it was termed, we could only appeal to a statutory court in England.

Something which has been done for seventy-four years. I find it more interesting to read the debate on the Supreme Court Act than to quote any excerpt from Mr. Teece or Elliott Roosevelt about the change in the law.

I shall not speak for long, but I shall give two reasons why I favour this bill. The first is that the judges of the privy council in England are political judges. As they belong to the House of Lords, they are lawmakers and therefore they belong to various parties. Few of them are Liberals. Some are Conservatives. In England we see something that is almost unbelievable. We see some Labour lords. I find it to be a paradox, but it happens just the same over there. Each of the judges who sit in the privy council is a born politician; he is a politician first and a judge afterwards. I have seen articles about politicians being appointed to the bench. I do not see how the same party that condemns the practice of the Liberal party in appointing Liberals to the bench should advocate the continuance of appeals to the privy council or to judges who live far from here and who are politicians before being members of the bench. In fact, if they were not appointed to the House of Lords, they would not sit on that bench. Their appointment is their qualification to sit there. One may not be surprised that they afterwards render political judgments.

In our country the situation is entirely different, because no judge has the right to vote. All judges that are appointed by the dominion government are deprived of the right to vote in federal elections. This means that all those judges, even though they have been in politics previously, can no longer be imbued with any partisan spirit.

The first reason why I support this bill is that with the cancellation and the abrogation of appeals to the privy council we shall no longer have anything to do with a tribunal in London which is composed of political judges. The second reason why I support it is for the sake of economy. We have enough appeals from one court to another; they must stop in some tribunal in this country. It is as true today as it was seventy-four years ago, when the supreme court was instituted, that few people have the means with which to carry a case to the privy council. That is a procedure for people who are well off, and for big concerns. They are the ones who are able to carry their cases there, appealing sometimes directly from the provincial supreme court, from the court of appeal or the court of king's bench in the province of Quebec, to frighten the parties who have not the same means from continuing the legal debate overseas.

In my opinion the time has come to put aside all prejudices. When Mr. Irving, who was a good Englishman and a good Liberal, moved that provision which I have just read and referred to, he was acting as a good Canadian. The time has come when we should consider every matter objectively, without any sentiment.

I cannot understand the amendment of the leader of the opposition (Mr. Drew) to give the bill the six months hoist. What is it? As I said before, it is a negative proposal. I am anxious that the bill should go before the committee of the whole. Then we shall have the opportunity of seeing whether the leader of the opposition has any constructive suggestion to make about the constitutional powers of the supreme court. He will then have an opportunity to make any amendment that he thinks will protect the provinces and will protect the minority. Will he do that? He may. I am so anxious to hear him speak on this matter that I will say no more at this time. I shall look forward to hearing his constructive amendments when we are in committee of the whole.

Mr. Howard C. Green (Vancouver-Quadra): Once again, Mr. Speaker, I find myself on a different side from my good friend the hon. member for Temiscouata (Mr. Pouliot). There is only one compensation about being in that position, namely, that once more it proves I must be right.

I propose to speak for a few moments this afternoon in support of the amendment proposed by the leader of the opposition (Mr. Drew), which was to the effect that consideration of the abolition of appeals to the privy council should be postponed for a period of six

months. I intend to give several reasons for my support of the amendment.

In the first place, in British Columbia, we place a very high value on the ability and the decisions of the privy council. We should like to see the right of appeal to that court retained. We have had the right for almost seventy-five years. In many cases the appeals have been taken direct from the court of appeal of British Columbia to the privy council. That has been a common practice. I was amazed to hear the Prime Minister (Mr. St. Laurent), when he spoke in the debate on the speech from the throne at the beginning of last session, express resentment against that practice in British Columbia. Hon. members will find the statement on page 65 of *Hansard* of January 28, 1949. The Prime Minister was giving the figures of the appeals that had been carried to the privy council, and I asked him how many appeals there had been from the court of appeal of British Columbia to the privy council. This was his reply:

> I have long deplored this apparent tendency of the litigants of British Columbia to take their disputes to the privy council instead of taking them to the supreme court at Ottawa.

I can only say, Mr. Speaker, that the people of British Columbia have taken their appeals direct to the privy council because they wished to do so, and because they have had satisfaction from that court. Therefore, I repeat, the right of appeal is highly prized in my province, and that is one reason why I am speaking in favour of this amendment.

In the course of his speech in introducing this bill the Minister of Justice (Mr. Garson) tried to make quite a point of the argument that the privy council is only a rich man's court. That is truer of the Supreme Court of Canada than it is of the privy council, and I can give the house an example. A few years ago I was a junior member of a certain firm which had a case against the British Columbia Electric Railway Company Limited. The plaintiff was a widow who had no resources at all. She had fallen in getting off a street car and in the supreme court of British Columbia we were able to prove that she fell because there was a defective plate on the step. We obtained a judgment for $5,000 and costs. We held that judgment in the court of appeal, and then the British Columbia Electric Railway Company Limited appealed to the privy council on the ground that the action had been commenced at a later date than six months from the time of the accident. By the way, that delay was not a delay of our firm. The plaintiff had not come to us until the six months had expired. Under the provincial act which incorporated the company the limitation period was six months. Under the Railway Act of Canada it is a year, and the point as to whether or not a claimant had six months or one year had never been decided. Therefore the company appealed to the privy council on that point and won. We were able to retain a young Canadian who had been a Rhodes scholar and who had been called to the bar in Great Britain. Before the privy council gave judgment they apparently decided that this widow should not be deprived of the amount of her claim. They took the position that they were sure that the counsel for the company would not ask that the widow be deprived of the $5,000 because the company had won its point. If anybody has any doubt of that, may I say that I hold in my hand the report of the case. It is "British Columbia Electric Railway Company Limited versus Pribble, 1926 Appeal Cases". At page 481 we find the words used by the honourable lords in bringing about this result:

> Their lordships are further informed that in consideration of her injuries and of the fact that the general aspect of the matter concerns themselves alone, the appellants have voluntarily arranged with the respondent not to ask for the repayment of any sums already paid to her in consequence of the judgments below, a liberal proceeding to the spirit and justice of which their lordships think effect should now be given by making no order as to costs of this appeal.

The result was that the widow got her judgment. She got her costs in the supreme court of British Columbia and in the court of appeal. I have no doubt that the solicitor for the British Columbia Electric Railway Company Limited in Vancouver has ever since been a firm believer in abolishing appeals to the privy council. That was one case in which a poor woman got a benefit that she would not have received in the Supreme Court of Canada. Other cases are the carrying of appeals to the privy council *in formâ pauperis*. There has been a case in British Columbia which has been carried twice to the privy council in that manner within the last two or three years. Let us not believe we are conferring a great benefit upon the poor man by the abolition of these appeals.

Another point made by the Minister of Justice was that Canada had never been represented on the privy council. I thought he spoke quite bitterly, as though this court had been set up by a foreign country and we were made subject to it and had nothing whatever to say as to who served on the court. The fact is, and the Minister of Justice knows it very well, that chief justices of Canada have served on the privy council. The late Chief Justice Anglin served on many occasions. Chief Justice Sir Lyman Duff, who is a hero to all the young lawyers of British Columbia, served on the privy council

time and again, and his judgments carried great weight all over the commonwealth. The present chief justice, Chief Justice Rinfret, has also served on the privy council. Canada could have been more fully represented at any time if its government had cared to ask for such representation.

Another reason I am in favour of this amendment is that I believe the abolition of the appeals is premature, particularly in the case of appeals on constitutional questions. It is perfectly clear, Mr. Speaker, that we should first work out a method of amending our constitution in Canada. I know that that is going to be a difficult job, but it is a field for the display of real courage and leadership by the government of Canada. There is a field in which there should be real leadership but by the measures which are promised in the speech from the throne the government is making no real attempt to solve that problem.

The government has said in the speech from the throne that it will arrange consultations with the provinces concerning the amendment of our constitution where there is a difference of opinion in regard to certain points. Obviously that is the first move. Once that move has been made and agreement reached as to the amendments to the constitution that should be made there could be far less objection to the bill we are considering today.

But instead of holding that consultation first the government is bringing in this bill to abolish appeals and is then giving notice that it will ask the parliament of the United Kingdom for the right to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the constitutional rights and privileges of the provinces or existing rights and privileges with respect to education or the use of the English and French languages.

The only real difficulties in connection with our constitution concern the respective rights of the dominion and the provinces. That is the only question to be solved. Let us see what will happen if the government course is followed. Appeals to the privy council will be abolished and the right to amend the constitution in connection with dominion matters will be given. As the Prime Minister (Mr. St. Laurent) said the other day, the Supreme Court of Canada is to be the arbiter. If there is any question as to whether the amendments deal with provincial rights, then the supreme court will make the decision. That will probably mean a whole series of new lawsuits having to do with our constitution and whether or not particular amendments affect the rights of provinces.

I wonder whether the government is proceeding in this way in order to tie the hands of the provinces, in order to present to the provinces a *fait accompli*. If they will not agree to the amendments made by the dominion they will have to go to the Supreme Court of Canada. I wonder if the idea behind all this is not that the provinces, rather than face that necessity, will yield to the wishes of the dominion? It looks as though the dominion government were putting a gun to the heads of the provincial governments, and I suggest that that is a very high-handed procedure to follow. That is my second reason for supporting the amendment that the bill be considered six months hence.

My third reason is the resolution passed by the Canadian Bar Association at Banff a few weeks ago. That body is composed of leading lawyers from all over the country who belong to all different parties. Their deliberations are non-political and thoroughly objective. If any group in Canada should understand this particular question it is this group. I would point out to hon. members that included in the membership of the committee which recommended the resolution passed by the Canadian Bar Association were such outstanding supporters of the government as Senator J. W. de B. Farris, K.C., of Vancouver and Senator G. P. Campbell of Toronto. These men hold a high place in the public life of Canada.

I should like to quote from a statement made by Mr. Steer, the chairman of the committee. I do not know his politics, but I certainly have never heard of him as an active Progressive Conservative. He may be a Liberal, but as a matter of fact I do not think there was any political angle in the consideration of this question by the association. Here is what he said:

> There is little doubt that the Privy Council is the most powerful court in the world. I suggest we should think very carefully before we throw away the right of appeal to such a court. There is no question of sovereignty involved. Sovereignty of Canada has been conclusively established.

I should like to quote from the resolution as follows:

> Be it resolved that the Canadian Bar Association, without expressing any view as to the wisdom or otherwise of the proposed abolition, is of the opinion:
>
> (i) That any bill for the abolition of the privy council appeal should contain the necessary provisions as to the organization and jurisdiction of the Supreme Court and the system by which its judges will be appointed.

Here is the portion of the resolution I wish to stress:

> That sufficient time be given before the statute is enacted to permit the public to give consideration, both as to the question whether the abolition of the appeal to the privy council should take place and

to the constitution and powers of the court that may replace it and also to the effect which the abolition may have upon provincial and minority rights.

The resolution then went on to make certain suggestions as to what should be done if the appeal were abolished, among which was the following:

(g) that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee.

In other words, that there be some provision that previous decisions of the privy council and the Supreme Court of Canada should be binding on the Supreme Court of Canada after this bill is passed. During his speech the Prime Minister professed great respect for the opinion of the Canadian Bar Association, but he then went on to wave aside their suggestion that the bill should be allowed to stand in order that it might be given further consideration. In effect he took the position that he knew what was best and that the Canadian Bar Association could just run along and play marbles or forget about the matter.

The other day he refused to insert a provision in the bill making previous decisions binding. The excuse given was that all the justices of the supreme court took an oath of office when appointed and therefore they were bound to follow previous decisions. It is not quite as simple as that. I do not question for one moment that the justices of the supreme court will carry out their oaths of office, but they may have different views of just what that oath implies. I have here a press dispatch which appeared in the Ottawa *Journal* of June 2 of this year, just a few weeks ago, which reads:

Not Bound by Privy Council says Rinfret

Jurisprudence laid down by the privy council does not necessarily bind Canadian courts, it was intimated by Chief Justice Thibaudeau Rinfret in the Supreme Court of Canada today.

The report continues:

"Why should we in Canada," queried His Lordship, "accept something that has been said 4,000 miles from here, where they have not the same mentality?"

And then again:

"You might say," His Lordship told counsel, "that the Supreme Court of Canada is the final court of the land and hence is not bound by judgments of the privy council."

"No, my Lord," replied Mr. Stein, "I don't believe I would care to go that far."

"Oh, don't hesitate," urged the chief justice.

Mr. Stein was counsel for the appellant.

There is the position with which we are faced in Canada today. I suggest that because of that stand, if for no other reason, a provision should be written into the bill that the decisions made in the past by the Supreme Court of Canada and the privy council are to be binding. Otherwise we start interpreting our Canadian constitution all over again in the year 1949, and I do not think anybody in Canada wants that to happen.

A fourth reason why I am supporting the amendment is that by abolition of appeals to the privy council Canada will sever one of the links which hold the British commonwealth together. Such action may lead to similar or far more drastic action on the part of other nations of the commonwealth at a time when Britain has her back to the wall as she has never had it since 1940. Some of our ministers have been getting up in the house this week to sympathize with her in her present plight, and yet by abolishing appeals to the privy council at this time the government may be adding to the burdens of the already overburdened United Kingdom government. The Minister of Justice (Mr. Garson) may laugh. He is much better at laughing than he is at propounding a sound argument on this particular subject.

Just as certainly as night follows day such action is sure to be interpreted in every capital of the world as a weakening of the British commonwealth, particularly in the capitals behind the iron curtain, when all democratic countries are rightly worried about the Soviet union having discovered the secret of the atom bomb. This step is taken precisely at the time when a strong commonwealth is necessary for world peace. I point out to you, Mr. Speaker, that one of the reasons why the world is in so perilous a position today is the fact that it is divided into two camps, the United States camp and the Russian camp. If the British commonwealth had been kept as strong as it was during the war, if we had a third camp between the other two, we would not have the whole civilized world apparently rushing into a third world war. That the situation is simply unbelievable, everyone in the house agrees. It is unbelievable when we reflect that fighting ceased only about four years ago. But such is the state of the world today.

It is only nine years ago that the British commonwealth stood alone, except for aid from gallant little Greece, and saved civilization. It is less than five years ago that sons of the commonwealth were plunging to their death together in flaming planes, and men of the other parts of the commonwealth were serving with Canadians in the first Canadian army.

I am incapable of expressing my regret that such a step should be taken by the Canadian government at this time, just as I regretted the refusal of the Canadian government in 1938 to allow Great Britain to send her young airmen here to take their training.

That action might very well have meant the destruction of civilization. It is only nine years ago that a few young commonwealth airmen saved civilization. We learn now that at that time the very last squadron was in the air. If there had not been enough of those airmen to save civilization, the responsibility for the consequences that might have ensued would have rested in large part on the Canadian government of that day.

Canada is now a senior partner in the commonwealth. No longer are we in the position of trying to get something from Great Britain; and since we are a senior partner our influence and our responsibility are great. We should be doing everything in our power to strengthen the commonwealth, and the abolition of appeals to the privy council certainly does not strengthen the commonwealth.

My fifth reason for supporting the amendment arises out of the argument put forward by the Minister of Justice when he opened the debate on the bill. He asked support for the measure on the ground that the government was now achieving nationhood and autonomy for Canada. He even went so far as to say in conclusion that there must not be one instant's delay. That very statement was enough to convince one of the weakness of his arguments. He made a straight appeal to the isolationist and republican sentiment in Canada. I think the house should be told who it was that won nationhood for Canada, and when it was won. Nationhood was won for Canada in the first great war from 1914 to 1918. It was won by the young men and the nursing sisters, God bless them, who went over from this land and played so splendid a part in that war. The names of those who won nationhood for Canada are inscribed in the Book of Remembrance in the Memorial Chamber of this building. It ill behooves any minister of the crown to rise in the House of Commons, in the year 1949, and make the claim that he is now winning nationhood for Canada.

Since 1919 Canada has been completely free to do as she wished. Neither the United Kingdom nor any other nation has stood in her way. Canada has been free to do as she wished. As my authority for that statement, I quote the Right Hon. Vincent Massey.

Mr. Garson: Since what date?

Mr. Green: The Right Hon. Vincent Massey, who has been our ambassador at Washington and London. He is the Canadian who has had the greatest experience as an ambassador. I do not think anyone questions Mr. Massey's ability or his right to speak on questions of this kind. I have his book entitled, "On Being Canadian," published in 1948. On page 9 we find this statement:

> We know that our sovereign independence is real, final and complete. If there remain vestiges of subordinate status, we ourselves are responsible and no one else. If, for instance, today we can alter our constitution only by appealing to the British parliament, it is because we apparently still wish to have it so, embarrassing as the arrangement is to the legislators at Westminster who naturally regard such matters as no concern of theirs.

All the talk of winning autonomy for Canada is faking the issue. If there is an autonomy problem before the Canadian people today it has nothing whatever to do with Canada's relationship with the British commonwealth, but with the United States of America. Mr. Massey elaborates that view on the same page. This is what he says:

> There is truth in what was said not long ago: "It is hardly too much to say that in some quarters there is a surviving colonialism which cannot forget that the British connection once involved colonial subordination, and would willingly demonstrate independence of Britain by avowing dependence upon the United States." Such "new colonialism" is as damaging to national growth as was the old.

There is the real problem; and it is not imposed upon us by our fine friends the Americans. It arises out of world events. The real problem is how to avoid becoming subservient to the United States. I want to cite a few instances to show how this government has allowed Canada to become subservient to the United States. First I refer to a clipping under date of July 28, 1947, headed "Canada assures U.S. no Jap treaty 'bloc'." At that time the members of the commonwealth were to have a conference in Australia concerning a peace treaty with Japan, and the Canadian ambassador in Washington was instructed to go to the secretary of state there to assure him that there was no intention of setting up an empire bloc. Here is what the Canadian ambassador said:

> I told Mr. Armour what I am sure he already knew, that this conference does not and could not mean the formation of a common British front at the peace conference.

That statement is also dealt with by Mr. Massey in his book, where we find this comment at page 105:

> When it was reported in the press in 1947 that we had assured the United States government that the forthcoming commonwealth conference on the peace treaty with Japan did not foreshadow the formation of a British "common front," these representations seemed both unnecessary and undignified.

A second instance occurred in 1947, when the government was trying to save United States funds and the Minister of Finance (Mr. Abbott) brought in his austerity program. The prohibitions did not apply only to the United States but to all the members of the commonwealth, in fact to the whole world. When in this house the minister was challenged to say

why he had done that, he replied that it was because the Americans did not like to be discriminated against, in other words because the Americans wanted it that way. We saw the same thing happen yesterday, when the minister rose in his place and announced that the ban on the importation of fruits from the United States was to be lifted. Today we see a Canadian Press dispatch which reads:

A government official said lifting of the controls resulted from pressure brought on U.S. government quarters by California fruit growers.

The inference, of course, is that the United States government brought pressure to bear on the government of Canada. Another dispatch which confirms what I have said appeared on July 30 of this year, written by one of the leading members of our press gallery, a man of great experience and in a very responsible post, who wrote:

The dependence of Ottawa upon Washington becomes more apparent every day. A colleague put it to me this way: "This subservience to Washington is far worse than it ever was to London. Ottawa used to stand up pretty firmly to the dominions office in London."

Another example may be found in the military exercises which took place along the Alaska highway a few weeks ago. The first reaction of the government at Ottawa was contained in a dispatch dated August 10, 1949, and headed "Canada to get American aid if invaded". It states:

Continental defence plans call for immediate United States armed intervention if any sizeable enemy force strikes Canada, informed sources say.

This is part of the official reaction to press reports on exercise Eagle, Canada's biggest peacetime land-air maneouvres, which were critical of the state of national preparedness it bared.

It is a pretty dangerous frame of mind to get into when you expect somebody else's sons to protect your country. I might mention other instances of this type, such as the attitude of the Minister of Trade and Commerce (Mr. Howe) in connection with atomic energy. He has had United States congressmen come up here to investigate our efforts, but has refused to set up a committee of the Canadian house to consider that very matter.

These things have an effect on the thinking of the Canadian people. We can never make Canada a great nation unless we change our ways in this regard. Furthermore, that is no way to maintain the respect of our American cousins. Mr. Massey deals with that point at page 101 of his book, where he quotes with approval the statement of a prominent American, Mr. Lawrence Hunt, to a Canadian audience. Mr. Hunt said:

The self-respecting friendship of a loyal member of the British commonwealth is vastly more important to the United States than the sly subservience of a satellite. We Americans don't want any satellites. We want friends who can differ with us without fear and can agree with us without servility.

Later, at page 121 of his book, Mr. Massey sums up the situation very well by saying:

This, however, does not relieve us from the duty of making our views known and protecting our interests in all matters which concern both countries.

He is referring to the United States.

Someone has said that "it is the merest common sense, when one lives in the same house with a giant, to attempt to keep on good terms with him." This is no doubt true, but the United States is a very friendly giant who will respect us all the more if we do not take for granted that it is our duty to yield automatically when there are differences of opinion, and will appreciate our speaking with frankness and candour.

Those are my six reasons for supporting the amendment postponing consideration of this bill for six months. I urge that this be done. For these reasons, if for no others, I believe that should be the course followed by the government.

Mr. L. Philippe Picard (Bellechasse): Mr. Speaker, I expected many reasons to be invoked by the opposition in favour of either postponing or killing the bill in one way or another, but I never thought the development of the atomic bomb by Russia would be suggested as a reason for maintaining appeals to the privy council. I have a great deal of respect for the hon. member for Vancouver-Quadra (Mr. Green). He is a hardworking member, whom I like personally, but I do not like the argument he has advanced this afternoon. Before entering upon the body of my own remarks I shall try to deal with a few of the points he brought forward.

The fourth reason advanced by the hon. gentleman for supporting the amendment of the leader of the opposition (Mr. Drew) was that abolishing appeals to the privy council would give a bad example to other parts of the commonwealth and create a bad impression in London, or cause the British government some trouble. I see the trend of thought of the Conservative party has not changed much since the days of Sir John A. Macdonald. I did as the hon. member for Temiscouata (Mr. Pouliot) did; I consulted the debates of 1875, and found this statement by Macdonald at page 981:

Great as would be the benefit of a supreme court to the dominion, it would not compensate for...the feeling of uncertainty it would excite in England as to whether there was not an impatience in this country of even the semblance of imperial authority.

On the same day, he said:

This amendment is the first step towards the severance of the dominion from the mother country.

At the time he was speaking about the abolition of appeals to the privy council, proposed in an amendment to the bill esta-

blishing the supreme court. He expressed concern about the feeling of uncertainty it would initiate in England. Today we heard my hon. friend bringing forward the same argument, that it might be wrongly interpreted in England if Canadians were to decide they have legal minds in their own country, men of integrity and ability who can interpret the terms of the constitution as well as any who are not so familiar with our institutions or so conversant with our body of legislation.

My friend talked about the question of autonomy, Mr. Speaker, and stated there was no question of autonomy involved in abolishing the appeal to the privy council. Does he forget that one of the elements of sovereignty is the establishment of courts within the country designed to interpret the constitution of that country? The fact that we are still taking appeals to the privy council is one badge of colonial status. The other badges are the fact that the constitution is not a Canadian constitution, but an act of the British parliament, and the fact that we have no flag. The removal of two of these badges at least is mentioned in the speech from the throne.

My friend says the country is not ready for such a move. The Prime Minister has gone from one end of this country to the other and has had the courage to speak about the matter and the answer of the people should be convincing. A moment ago we were told that, amongst the members present at the Canadian bar convention, there were some Liberals who helped draft that resolution. Certainly, there must have been Liberals there. The election results showed there were so many Liberals throughout the dominion there must have been some at the convention.

It has been stated that in British Columbia the decisions of the privy council are considered of great value. If the hon. member had represented Rockland avenue or the Uplands section of Victoria, such a statement would have been easier to understand. At any rate, I respect anyone who feels the privy council gave him better protection. I believe a majority of the people in Canada have reached a stage where they consider it necessary for Canada to have the power to amend its constitution, and to have a supreme court to interpret our institutions. A statement has been made to the effect that the abolition of appeals was premature, especially in so far as constitutional rights were concerned. We have been waiting seventy-five years for this.

The member for Temiscouata (Mr. Pouliot) quoted an amendment to the bill to establish the supreme court. This amendment was proposed by Mr. Irving and it carried by 112 to 40. That took place seventy-five years ago. During the course of my remarks I shall deal with the reason why this amendment has remained inoperative and who was responsible for it. This question has been before the Canadian public and this parliament for many years. Does my friend believe we should wait another seventy-five years before the people of the country will be certain we should establish a supreme court to interpret our own constitution?

My friend says we should start with the constitution. It is well known that any constitutional convention will sit for five or six years before any definite agreement is reached. It took a little less time, but not much less, for the fathers of confederation to come to a conclusion and at that time there was no particular political animosity brought into the discussion. Today, in some parts of the country, there are people who make political capital of such a question. Does anyone believe that a convention established this year could, within the normal course of six months or a year, bring forth a result that would enable the country to establish a new constitution? I venture to predict that any constitutional convention will have to sit for a number of years before reaching a conclusion.

This government did not want to wait for all this to happen. This government believes that the people of Canada are ready to do as the other countries have done, to establish a federal supreme court charged with the duty of interpreting the law. The government believed also that the moment had arrived to consult the provinces as to the first steps to be taken to summon constitional convention. This would take some time, but I believe the time has arrived for the country to take the step proposed in the bill now before us.

My hon. friend ended his long speecn, interesting in many respects but out of touch with the question of abolishing appeals, by speaking about our subservience to the United States. Mention was made of the military manœuvres in western Canada and the joint continental defence. I feel no more satisfied with that than he does, but if there were trouble in Canada tomorrow, could we rely any more upon help from Great Britain than we could upon help from our neighbours to the south? Could we expect more people from Britain to come here to join our army in the defence of our northwest, than would come from the United States? The time has come for the people of Canada to think in terms of practicability rather than in terms of sentiment.

I was surprised that the hon. gentleman brought forth so many points in his attempt to show the subservience of our country to the United States. He stated that at one time Mr. Massey, the Canadian minister to Washington, had stated there would not be a common British front on international matters. Perhaps today, perhaps tomorrow, the interests of Canada might be much more in harmony with the interests of the United States than with the interests of Great Britain. I do not especially rejoice over that fact, but we have to face the facts as they are. My friend comes here talking about oranges and grapefruit in his attempt to show that Canada is subservient to the United States. I do not imagine that it was the fruit growers of California who influenced the Minister of Finance (Mr. Abbott) in lifting the ban on imports. If the minister was influenced by anyone, he was influenced by the people of Canada who felt their babies ought to have citrus fruits.

The measure now before us, Mr. Speaker, is intended to abolish appeals to the privy council. The adoption of the amendment by the leader of the opposition would have the effect of preventing this measure from being passed at this session of parliament. I readily admit that after the brilliant presentation of the Minister of Justice (Mr. Garson) and the unequivocal declaration of the Prime Minister, there remains but little that can be said as to the advisability or timeliness of the bill.

I am prompted, however, to delve into the matter because of the pleasure I feel in being given the opportunity to contribute to the freeing of our country from one more of its colonial links, even if it be in the humble way of casting my vote for this measure. I also feel I must speak on this question for somewhat sentimental reasons. I have, as no doubt all members have, a great fondness for my constituency and an interest in its history. This interest extends to the doings of my predecessors, the members for Bellechasse. It was the second gentleman after confederation who occupied the seat for Bellechasse in this house, the Hon. Telesphore Fournier, who sat from 1870 to 1875 who, as minister of justice in the Mackenzie cabinet, introduced the bill to establish a supreme court and a court of exchequer for the Dominion of Canada.

As the intent of any legislative measures can oftentimes be foreseen in the speech from the throne—although it is not always so, it sometimes is—it is not without interest to note that the bill had been described in the speech from the throne in 1875 as "essential to our system of jurisprudence and to the settlement of constitutional questions". It can be readily established thereby that from the very day of its inception the court was rightly intended to study and settle constitutional questions arising in the country, whether brought to the court by private citizens or by the constituted government, whether federal or provincial.

When considering a constitutional question such as that of the supreme court and that of amendments to the constitution, I have made it a practice to consult the documents of the past and to look into the reports of the discussions that took place among the fathers of confederation. The debates of 1875—and my friend the hon. member for Temiscouata (Mr. Pouliot) ably dealt with that point but I shall touch on it again—provide us with an enlightening outlook on the feeling of the house at the time. Prior to the introduction of that bill by the Hon. Telesphore Fournier, the former Prime Minister Sir John A. Macdonald had twice introduced—in 1869 and 1870—and later withdrawn bills for the establishment of a Supreme Court of Canada. When presenting his bill, Fournier—as my friend the hon. member for Temiscouata pointed out—went as far as asking for an amendment that might bring about the abolition of appeals to the privy council, but he outlined one of the aims of the new court as being that of arbiter.

> . . . which would settle the extent of the powers of local legislatures when these powers were in dispute.

He also stated:

> The bill has for its sole object the harmonious workings of our young constitution.

Fournier was less fearful in 1875 than some people in my province pretend to be in 1949 as to the fitness of a Canadian court of last appeal to settle the extent of the powers of local legislatures, and he was right then as we are right now in taking the same stand.

When proposing his amendment the leader of the opposition (Mr. Drew) stressed the fact that there was no urgency for this bill, just as my hon. friend said, with reference to the atom bomb, that we should wait for another period of time. The Canadian people have considered the question long enough, and I think the time has come for us to cast a vote in favour of ending what Sir John A. Macdonald described as one of the last golden links of colonialism.

In 1870 Sir John A. Macdonald, when proposing the establishment of a supreme court,

stated that he was in favour of keeping appeals to the privy council. It was the trend of the Conservative party then as it is today. Then Sir George Cartier felt the same way. Those who now bring forward Cartier's shadow in order to try to impress us with the idea that abolition of appeals to the privy council will mean the end of provincial rights stress that Cartier was against the abolition but they do not say that he was expressing his feelings as a political man. He was acting as a Conservative and it was his right for him to act that way. But today it is the right of good, thinking citizens of this country to believe that the time is ripe to abolish the appeals and that the time has come for us to think that, as the Prime Minister himself stated, there can be in this country men whose integrity and ability are high enough for us to trust them properly to interpret the principles included in the pact of confederation. Sir John A. Macdonald also said at the time, and I am surprised that my friend did not quote this:

> We have no power to deprive a British subject of going to the foot of the throne for redress.

That question was ably treated a year or so ago by a gentleman who sat on the opposite side of the house and represented the constituency of Kindersley. I refer to Mr. Jaenicke who twice proposed a resolution leading to a bill such as the one we are considering now. To my mind, while he was here he made a considerable contribution to the work of this house, and I esteemed him highly. At the time he pointed out that the sovereign himself does not consider grievances, that it is through the judges that he does so, and that judges appointed by the sovereign government of Canada in the name of the king are the same advisers or constitute the same way of advising the sovereign as to which grievances should be heard. Mr. Jaenicke stated as reported at page 2498 of *Hansard* of 1947:

> In making the Supreme Court of Canada the final court of appeal we simply substitute His Majesty's Canadian judges as the final arbiters upon any grievances brought before him by his subjects in Canada.

I can well understand Sir John A. Macdonald's trend of thought; he was speaking in the colonial period. I am less able to understand those who take the same attitude seventy-five years later. While my hon. friends like to boast of the position that Canada has reached, and of what her sons have done to make her a nation, they refuse to recognize one of the elements of sovereignty and try to postpone study of this bill in order to kill it. Mr. Speaker, this has been admitted as the Conservative view at all times. The Liberal view was somewhat opposite, even in 1875. As my friend the hon. member for Temiscouata pointed out, Fournier himself when presenting the bill invited an amendment, and the amendment brought forward by the then hon. member for Hamilton was carried, as I said only a moment ago, by 112 to 40. It would be interesting to see why this amendment, although included in the bill when it was passed in 1875, was never operative. The bill creating the supreme court introduced by the then member for Bellechasse was passed on April 8, 1875, and the amendment was included in it as clause 47. How is it that this clause was never operative and that seventy-five years afterwards we are still discussing whether the time has come to repeal this right of appeals to the privy council? Frank MacKinnon, in a remarkable study entitled "The Supreme Court of Canada", gives a good account of what then followed:

> The government was informed through Lord Carnarvon, the colonial secretary, that disallowance was almost inevitable in view of the strenuous objection of the lord chancellor and the law officers of the crown to the principle involved in the appeals clause.

And he goes on:

> Mackenzie and Blake, the latter having replaced Fournier as Minister of Justice, argued the matter with the imperial authorities both by correspondence and by personal visits to England.

Blake's attitude throughout this controversy was truly consistent with the Liberal policy of upholding the full autonomy of Canada.

A careful study of the correspondence exchanged between Blake and the colonial office should convince anybody from my province who might still have any hesitancy as to which attitude is consistent with Canada's dignity and autonomy. I shall say a few words about this correspondence. I shall outline only two or three of the numerous arguments brought forward by Carnarvon, the colonial secretary, and Blake, the Canadian minister of justice, in order that my remarks may not be unduly lengthened. The first concerns the actual decision of cases, and that would interest some of the people especially in my province. Carnarvon thought that British residents—and I do not mean especially those living in British Columbia—"who held rights, investments or property in Canada should be protected by the right of appeal to the privy council". That was the attitude of Carnarvon in the exchange of notes I just mentioned.

To this Blake replied:

> This practically presumes that British subjects and foreigners would not receive justice at the hands of Canadian judges while it affirms that the Canadians would receive justice at the hands of the British court.

Blake thus considered this objection as an insult.

Secondly, the argument that an outside tribunal might judge more impartially than a Canadian one the questions arising between the federal government and the provincial legislatures was put forward. This is in line with the attitude of some people in my province, less and less numerous, fortunately. It is in line with the trend of thought that has prevailed in certain quarters up to a few years ago, but fortunately this tendency has given way in the last ten or fifteen years to a more logical attitude. To this Blake answered directly, and the Prime Minister (Mr. St. Laurent) the other day was consistent with the Liberal tradition when he kept somewhat the same dignified language on Friday last.

Blake said then:

> I cannot conceive anything calculated more deeply to wound the feelings of Canadians than an insinuation that impartial decisions are not to be expected from their judges.

With reference, said he, to the alleged values of the decisions of a court not included in the confederation:

> I would observe that with the practical operation of the federal constitution of Canada, with the customs and systems which may have grown out of its working . . . a court composed of English judges cannot be thoroughly acquainted.

A few years later, in 1879, Blake again touched on the same question. In the course of his speech he declared that the Canadian constitution would be unworkable without a national court to settle problems which would inevitably be arising thereunder. He indicated that it was an anomaly for persons to declare that, while Canadians had the right to make their own laws, there could not be found in Canada men capable of judging by what laws she should be governed. He emphasized the fact that the experience and modes of thought of the British judges were not conducive to the proper interpretations of Canadian conditions and legislation which had their roots in an entirely constitutional system. He concluded with the following words:

> Now, a constitution like ours, complicated and delicate in its adjustments, requires for its interpretation that measure of learning, experience and practice which those who live under it, who work it, and who are practically engaged in its operation are all their lives acquiring. I deny that it can be well expounded by men whose whole lives have been passed, not merely in another but in an opposite sphere of practice; and these men must come to the consideration of these topics at the greatest disadvantage and from the wrong point of view.

Blake's words are as true today as they were seventy-five years ago, and it is the anomaly existing over that period of time that this measure now proposes to abolish. For the edification of the timid souls in my province who may not yet have seen the light let us revert to the controversy of 1875. MacKinnon says:

> The biggest issue involved in the question of appeals concerned the material connection, or, more specifically, the principle of enhancing Canada's status by the removal of appeals to an English tribunal. This principle was in line with Blake's policy of keeping the colonial office reminded of responsible government and of diminishing the appearance of colonial governance by making the Governor General responsible to his ministers rather than to himself or the British government.

Lord Carnarvon questioned the expediency of permitting through such means as clause 47 any doubts as to the stability of Canada's ties to the mother country, the same trend of thought that is prevalent amongst the Conservatives but not so openly mentioned today. Blake answered at the time:

> The Parliament of Canada, which is composed of the Queen, the Senate, and the House of Commons has power to abolish any prerogative of the crown affecting the Canadian people within the range of subjects on which parliament is authorized to legislate. After all the Canadian judges are Her Majesty's judges just as much as her judicial officers who reside in England.

The British institutions have proven their greatness by their adaptability, and the empire and commonwealth have survived so long owing to the ability of its statesmen to find harmonious solutions to seemingly insoluble problems. The same was true on that occasion. The Supreme Court Act was not disavowed. An arrangement was arrived at in 1876 and clause 47 was considered inoperative, as it was finally agreed that it did not affect the appeals to the judicial committee of the privy council because the clause had read that there was to be no appeal to a court of appeal established by the parliament of Great Britain. The judicial committee was not a court established by the parliament of Great Britain, so clause 47 was inoperative, and did not apply here.

I have brought the debates of 1875 and the controversy as to the abolition of appeals to the attention of the house to illustrate the continuity and the attitudes of the Liberal leaders and to point out to the few remaining hesitant persons in my province the fallacy of their arguments, already refuted seventy-five years ago, as well as the true purpose of the insistence of certain people upon the maintaining of appeals.

One of the objections raised by certain provinces to the principle of this bill,

Mr. Speaker, is that a federal court could not be an impartial judge in conflicts of jurisdiction between the central government and the governments of the provinces.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

CRIMINAL CODE

AMENDMENTS RESPECTING PISTOLS, AIR GUNS, MOTOR VEHICLES, LEVEL CROSSINGS AND PAYMENT OF FINES

Mr. T. L. Church (Broadview) moved the second reading of Bill No. 3, to amend the Criminal Code (pistols, air guns, motor vehicles, level crossings and the payment of fines).

He said: Mr. Speaker, this bill contains a number of amendments to the Criminal Code. On the motion for second reading a member is permitted to deal only with the principle of a bill. Two sessions ago the former minister of justice called attention to the fact that a similar bill dealt with many different subjects and was therefore different from most other bills.

The loss of life from motor accidents is appalling. The pages of the newspapers in our cities and towns are filled with details of these accidents. Just today a lady who was visiting this city was accidentally killed when trying to save her grandchildren from being run down. She had just as much right to live as has the person who killed her. This loss of life is one of Canada's greatest scandals.

Just last week end nearly as many people were killed by motor accidents in the Toronto district as were killed on our side at the battle of Queenston Heights. No one knows who is going to be next. Anyone is apt to be called into eternity in the twinkling of an eye by the mad race for speed against the laws of God and man. This is Bill No. 3 and hon. members will find it on their files underneath their desks. I do not intend to speak very long on this bill because I made some remarks when introducing it.

One section of the bill deals with the use of pistols by bandits, burglars and others. Men of this kind are liable to break into your home or into your hotel room when fully armed because it is so easy to buy a pistol. I called the attention of a former minister of justice to the fact that I could walk into a store on lower Spadina avenue and buy a gun or pistol that had been manufactured in Connecticut and imported into Canada. There are about twenty different types of pistols that these bandits or burglars can obtain.

There should be a prohibition against the manufacture of these guns and pistols and their sale should also be prohibited as well as their importation into the Dominion of Canada. No one knows who may be the next victim from motorcars on our roads.

The loss of life in the United States, England and other countries through the means I have indicated totals more than the casualties in the first great war and nearly as many as the casualties in the second great war. Human life is the most valuable thing there is.

It is the duty of the government to protect the health, wealth, happiness and prosperity of the people. Unfortunately, we have overgovernment and overtaxation in this country. Section 92 of the British North America Act was adopted for political and not economic purposes. They do not have provincial legislatures in Great Britain and yet they have a population of 47,000,000 people. They did not have such provincial legislatures in New Zealand and Australia until just recently and from what I hear they would like to get rid of them.

The loss of life is appalling. I can remember when the late Right Hon. Ernest Lapointe, a former minister of justice, escaped being hit by a motorcar by only a few inches when walking over from the Rideau club. You cannot go down some of our streets without facing the possibility of being hit or killed. Now one can drive as fast as one likes in our cities and towns.

I do not want to speak too long because several other hon. members would like to pass opinions on these matters. The marginal note to section 3 reads:

> The appalling fatal accidents and injuries from highway traffic and level crossings in Canada is mounting steadily and has become a public scandal as almost every highway is coloured red with the slaughter. Nothing is done to avert these accidents as the mad race for speed goes on. Casualties from such accidents are almost as numerous as those from the second world war in persons so killed or injured.

The purpose of this amendment is to set a penalty where a driver is convicted of failing to stop after an accident. I have seen children knocked down on Danforth avenue in the riding which I represent at the present time and have seen the little white coffins in which they were buried. Some of them were on their way to school and that was the last that was seen of them. I think the hit-and-run driver is the most cowardly type of murderer there is. Parents are not given any notice. The father comes home from work and he finds the baby

in a coffin, or the school child turned over to the undertaker the next day. The slaughter of these innocent children has aroused the sympathy of the people of the Toronto district. It has been going on for years. It is the most cowardly form of murder, the hit-and-run, I know of. They are left all alone on the highway and our Lord and the community take care of them. They have as much right to live as some of the reckless drivers, and I believe far more. There was an instance yesterday. If you pick up today's paper you will read about an elderly lady who came to town from Gananoque to see her grandchildren, walked across the road, and was killed. She will not see her grandchildren any more. She has been sent into the next world without a moment's notice. Clergymen, labour organizations, and many other people have been complaining. Then there is the deplorable economic loss involved in the death of workmen. It runs into millions of dollars for this small country alone.

Turning to one of the other sections, let me deal with driving while under the influence of alcohol. Nearly everyone is a driver of a car. I am not myself because I am too shortsighted. I do not drive any more, and it is fortunate I do not because I would not be here very long. I believe that we should change this section of the Criminal Code. I am not a teetotaler. I have a permit for this year but there is not an entry on it yet. I believe that the drunken driver is a pest on the highway. Most of you who drive cars know that to be true. The situation is becoming appalling on the Queen Elizabeth highway. The wider the highways the more accidents there are. The loss of life is deplorable, and so is the economic loss.

The hon. member for Vancouver-Quadra (Mr. Green) wants to take part in this debate. He took part in the debate of 1935 when he first entered the house. There are so many sections of the bill that I will just pass on. The bill deals with hit-and-run drivers. Then there is a section dealing with failure to stop at level crossings. Last year in the Toronto district educated teachers and others were killed. I proposed a bill last year that would have required motor vehicles to stop in the same way that buses stop. Let us suppose that the carpet between the desks is a railway track. Under the Highway Traffic Act, before a motorbus enters upon a railway track it must stop and open the front door. There are nearly 40,000 level crossings in Canada and this country cannot afford adequate protection for every one of them. In the house last year and the year before I proposed an amendment to the Criminal Code, that the driver of a car who did not stop, look and listen should be fined up to $50 for not doing so before entering upon the right-of-way of the railway. In a country of eleven million people it is impossible to eliminate all level crossings. I think this amendment would be good legislation. I knew some of the teachers that were killed. The number of lives that were lost in the Toronto district last summer is deplorable. Educated teachers and others were killed at the level crossings of the country. It takes two people to cause an accident. Until such time as it is possible to protect all crossings properly I think it would be wise by a Criminal Code amendment to put the onus on two people.

There is also a section of the bill having to do with causing death in a culpably negligent manner. Then there is a section dealing with the trial of young offenders. I think that the parents should be notified when teen-age people get into trouble. These young persons should be represented by counsel. There is no reason why they should not be represented by counsel. Some of them have been tried and convicted without representation by counsel, and I believe it would be a good thing when these people get into trouble. We did not have such a provision after the first great war, but the Addington administration faced the problem in 1801 after the peace of Amiens. The younger Pitt faced it in the years when he was prime minister. These conditions arise after every war, not only divorce but all these other things that grow out of war and involve people who go to war and come back. I believe it would be a good thing if the parents could be notified. If you pick up any newspaper you will read about these cases in the police courts. I referred this afternoon to the Don jail which was built to accommodate a little over one hundred people. The city of Toronto built two jail farms, one on Yonge street for men and one at Concord for women; and should have closed up the old Don jail. There are 400 people there at week ends and it is not fit for 125 or 140.

Mr. Pouliot: The Don jail is a dungeon.

Mr. Church: I will soon be finished. You will notice on page 5 of the bill there is a provision for juries to decide whether an accused is guilty or not guilty. The explanatory note on the opposite page reads:

> On the trial with a jury of persons who cause death or serious injury, it is desirable that the functions of the jury should not be curtailed or abolished.

Sometimes the judge takes the case away from the jury. The duty of the judge is merely to tell the jury what the law is supposed to be and to add any comments he wishes to make, but leaving questions of fact for the jury to decide. Otherwise the jury

system might just as well be abolished. Jurors are required to take the law from the judge, but in many cases trial by jury is negatived by the judge taking the case away from the jury. There are so many loopholes, and many people who are guilty of negligence get off. The increased number of accidents requires that the law be brought up to date to meet changing conditions, but preserving the liberty of the subject.

In Great Britain they have what is known as the Summary Offenders Act. It would be a good thing if we had it in Canada because the figures I have show that half the jails in the old country after its adoption have been closed. People were charged under orders in council and other such regulations that were passed during the war, and there would not have been any chargeable offence if it were not for the war. The war is over but we still have the same system being continued. I believe we should have such a law in Canada made applicable and only adapted to our circumstances. It would enable such people to walk into the police station and pay their fines to the sergeant by instalments. I believe it would be a blessing to the people of Canada, especially the working classes, if we had such a law adapted and applicable to our circumstances.

I think that is about all I have to say. The power is given to the police to collect these fines. Many of these people never have been in trouble in their lives. Fines are pretty heavy in the Toronto district. I think there should be a graded scale of fines. I see no reason why people in the city of Toronto should be fined $1,000 and in some other place $5. A jeweler in Montreal was fined $5 for giving away two thousand pounds of butter contrary to the prices board rules as an inducement to sell his goods. He was fined only $5. If such an offence had taken place in Toronto he would have been fined anywhere from $1,000 up to $5,000.

The Prime Minister (Mr. St. Laurent) has been very popular in our city. He came there to open our winter fair. I remember asking him last spring if we could not have two or three hours to discuss the deplorable loss of life by fires in homes. He said that at that time the government had so much work ahead of it that he would have to name a time when a discussion might take place; but then we had an election and nothing could be done. I do hope that this year, however, the necessary time will be provided; and I would ask the hon. member for Vancouver-Quadra (Mr. Green) to second the motion, if he will.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, I am very glad to second the motion of the hon. member for Broadview (Mr. Church) that this bill be now read the second time. As hon. members who were in the last house well know, the hon. gentleman has brought up these amendments on other occasions. All have been carefully thought out; all arise from a close and deep understanding of the things that are worrying the people out in the constituencies. I do not suppose any member of this house is more closely in touch with the thoughts, the wishes and the worries of his constituents than the hon. member for Broadview. In addition he has had long experience in municipal work in Toronto, and understands what goes on there in the courts, so I do hope the Minister of Justice (Mr. Garson) will give careful consideration to the proposals contained in this bill for the amendment of the Criminal Code. We all realize, of course, that in the ordinary course amendments to the Criminal Code are submitted by the attorneys general of the provinces. That has not been done in this case. Here we have submissions prepared by a member of the house who has taken the trouble to draft amendments which he believes will meet situations we all know exist.

I have no wish to take up further time; I do not want to be responsible for talking out the bill. However, I do hope the minister will give these matters consideration and that he may find it possible to go a long way toward meeting the suggestions advanced by the hon. member for Broadview.

Mr. Jean François Pouliot (Temiscouata): Mr. Speaker, it is a happy occasion when I am not bound to disagree with the hon. member for Broadview (Mr. Church) and the hon. member for Vancouver-Quadra (Mr. Green). The sponsor of this bill is a great humanitarian. I have known him for a number of years. He has always been interested in the humble man, the man on the street. He has done a great deal for his fellow citizens, and has found his reward in the popularity he enjoys in the Queen city and, indeed, throughout the country as a whole.

This bill is another indication of his interest in his fellowmen. I commend the hon. member who has supported the motion on the kind words he has used with respect to its sponsor, who certainly deserves them. So many accidents are occurring everywhere. The newspapers are full of pictures of automobile accidents on highways and at railway crossings, and it is time we did something in an endeavour to reduce the number of accidents. The words of the hon. member for Broadview and the timely remarks of the hon. member for Vancouver-Quadra will be

broadcast throughout this country, and will serve as a lesson to all those who would take advantage of the fact that the law has not been clearly defined. I am sure this bill will serve a good purpose, and I hope the Minister of Justice (Mr. Garson) will give it favourable consideration.

There are one or two matters, however, on which the hon. gentleman might be more precise. For instance, it is provided that anyone who drives a motor vehicle while under the influence of liquor or narcotics will be guilty of an offence. What does it mean to be under the influence of liquor or narcotics? That should be well defined in the bill; otherwise a man who has taken a glass of beer will be unable to drive his car. In the summer when it is hot there is some excuse for a man taking a glass of beer, and he is not necessarily drunk or under the influence of liquor because he has done so. It is a relative matter; the effect of beer is not the same on every individual. This part of the law should be interpreted with wisdom by the judges who may have to decide upon it.

To summarize my remarks, again I congratulate both hon. members, who spoke very well. I hope the press will give the widest possible publicity to the remarks of the hon. member for Broadview, so that what has been said tonight may not be ignored and in future the number of accidents may be reduced as much as possible.

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, I want to add my congratulations to those which have been extended already to the hon. member for Broadview (Mr. Church) on the excellent effort he has made, as a layman, to deal with one of the most complicated branches of the law.

Some hon. Members: He is not a layman.

Mr. Fleming: Thomas L. Church, K.C.

Mr. Graydon: As one layman to another.

Mr. Garson: Quite so. We have given very careful consideration to the provisions of this bill, and the law officers of the department are of the opinion that in its practical application a number of difficulties would arise which would greatly detract from its serviceability. Having regard to the fact that we now have an excellent committee actually at work revising the whole Criminal Code, I am wondering whether my hon. friend would consider having us submit the substance of this bill to that committee, in order that the points in it which commend themselves to their judgment may be incorporated in the revision they are now preparing.

[Mr. Pouliot.]

I am afraid that in my capacity as Minister of Justice I could not recommend any other disposition, because I do not think we in the department could take the responsibility of recommending to hon. members that the bill should be passed in its present form. I would prefer not to go into detail in this regard, because if I were to do so I am afraid I might be accused of talking out the bill, but I might point out one of two examples of what I mean.

For example, clauses 1 and 2 now make it an offence, first, to point an imitation pistol at any person without lawful cause; second, to have upon the person an imitation pistol while committing a criminal offence; third, to sell or give an imitation pistol to a minor under the age of fourteen years who is not the holder of a permit in form 76F. The purpose of the proposed amendment seems to be, first, to say that anyone who feigns the use of a lethal weapon is to be regarded as equally culpable with the person who actually employs one, for there have been many cases in which holdups have been effected or attempted by the use of an imitation pistol. The second objective seems to be to prevent traffic in imitation pistols that might possibly be used for such criminal purposes.

Now, the first point, and this is the type of practical point that could be considered by the committee revising the Criminal Code, seems to be that the substance of these two clauses of the hon. member's amendment is now already covered by section 446 as amended by section 15, chapter 55 of the statutes of 1947. This section, which is now in force, makes liable for imprisonment for life, and to be whipped, any person who, being armed with an offensive weapon or instrument or imitation thereof, robs or assaults with intent to rob any person. In other words, we would be seeking to superimpose upon an amendment passed in 1947 another amendment which, if not co-ordinated with the 1947 amendment, would leave the law on these points in a state of confusion.

As regards section 126, which deals with selling or giving of an imitation pistol to a minor, the proposed amendment would have some effects upon section 126 which I am sure the hon. member did not intend. Johnny, aged 13, could not buy a toy pistol without a permit in form 76F, although he may only want it to play cowboys and Indians. Johnny's dad, who wants a toy pistol for staging a holdup, could buy one without any permit at all. Furthermore, Johnny might be liable to prosecution for pointing his toy pistol during the course of his game.

If I might take another example, just taking them in their order, clause 3 of the amendment would increase the penalty for leaving

the scene of a motor accident without reporting it. I am told by those who have the responsibility of enforcing these provisions that in the criminal law, as in economics, you encounter the law of diminishing returns. A heavy increase in penalty does not necessarily result in stricter enforcement. At the present time the punishment for this offence is a fine not exceeding $1,000, or imprisonment not exceeding twelve months. According to the experience of the enforcement officers, to increase that penalty would simply increase the difficulty of securing convictions. In any borderline cases, the judge or jury cannot help but be influenced by the heavy penalty when deciding the guilt or innocence of the accused. The trend of opinion in connection with all these matters has been in favour of allowing a greater latitude to the court in the matter of the penalty that is imposed and has been away from the idea of increasing, as this clause seeks to do, the minimum penalty.

To take another example, clause 7 provides new sections which the members will see at the top of page 4, with regard to causing deaths in a culpable and negligent manner. I am informed by the responsible officers that this would add nothing but confusion to a branch of the criminal law that is already complicated. The criminal law in this branch is covered now by manslaughter, negligence and reckless driving sections. It is quite true that the jurisprudence bearing upon the punishment for causing death by the blameworthy operation of a motor vehicle leaves much to be desired. It is to be hoped that the persons now engaged in the revision of the Criminal Code will be able to put it into better shape; but I am perfectly certain, Mr. Speaker, that the passage of this particular clause would not have any effect except to make the relatively small amount of confusion we now have worse confounded.

There are a number of other cases in which I believe the proper course would be to consult the provinces. Some of these matters could be handled much more efficiently under provincial jurisdiction and by provincial officers who are charged with the enforcement of the law. For example, clause 5 is a clause which is submitted by the hon. member in a very praiseworthy attempt to increase the penalty and make more strict the law with regard to the failure to stop at level railway crossings. The advice I receive from my officers about this clause is that it is not capable of enforcement in its present form. There is no general opinion that the time has as yet arrived to take it out of the field of highway regulations by the provinces and put it into the field of criminal law by the section of the dominion. We believe it would be a much wiser move to adopt the suggestion of my hon. friend and send it back to the law enforcement officers of the provinces with the suggestion that they might consider whether, from their close experience with the matter, it should be put into effect.

I could continue to go into detail about the rest of the bill, but there is no purpose in my doing so. I do not think the Department of Justice, or I as its head, could take the responsibility of urging upon the members of the house the enactment of this bill. By that, I do not mean to imply there is not a great deal of merit in the hon. gentleman's bill or that many of the points he has incorporated in it, unfortunately with some accompanying disabilities, could not be carefully considered by the committee set up to revise the criminal laws. If my hon. friend has no objection, I believe that is the course we should like to follow in any event. In its present form, however, we could not recommend the passage of this bill to the members of the house.

Mr. Church: As mover of the bill, Mr. Speaker, I believe I have the right to reply. I want to thank the minister for the extremely courteous reception he has given to this bill, but there are some matters which I should like to point out to him. I think we should have a legal committee to consider bills of this description. The House of Commons has never had a chance to revise the Criminal Code, except once, and that was when the code was first passed.

Mr. Fauteux: I rise to a point of order, Mr. Speaker. I am sorry to interrupt my hon. friend, but I understand that he has already spoken and that on the second reading of a bill a member is not supposed to speak twice.

Mr. Church: I was just referring to the fact—

The Acting Speaker (Mr. Beaudoin): Order. I believe that the hon. member for Broadview asked for the opportunity to make a few further remarks following those which have just been made by the Minister of Justice (Mr. Garson). When he rose in his place, the hon. member mentioned the fact that he was merely taking the floor again in order to reply to the remarks made by the Minister of Justice.

Some hon. Members: Yes.

The Acting Speaker (Mr. Beaudoin): Therefore I believe the hon. member should be permitted to take that attitude and have the floor.

Mr. Church: May I point out to you, Mr. Speaker, that I was ready to close the debate. I wish to offer some constructive suggestions to the government. I do not wish to disobey any of the rules of the house; far from it.

With your permission, Mr. Speaker, I want to say to the minister that the rules with regard to the motorcar—and I refer simply to the provincial part of it—have been only to the effect that buses are required to open their doors. The constructive suggestion I had was this. If a penalty or fine of $50 were put into the code—because it takes two to make an accident—then the average person would have to stop before he entered the highway.

With regard to the appointment of a committee, I think that is a wise thing. I appreciate that fact. Its members are all fine lawyers and judges and all that kind of thing. They know more about the matter than do ordinary laymen. I have no objection whatever to the appointment of the committee. That is the only right and proper thing for the justice department to do. On it are some of the ablest men at the bar that we have in this country.

I want to point out to the minister that I really believe the time is coming when we should have a legal committee of the two houses of parliament to go over all these suggestions, as has been proposed by my leader. When the committee makes its report, I hope it will include some provision covering fires in homes and people who leave infants two years of age unattended in them. There should be some proviso. I hope the committee considering amendments to the Criminal Code will bring in some clause imposing a penalty on those who violate the law, resulting in the death of little children who have been left unattended in houses that have burned. I think that would be a wise proviso.

When the committee bring in their bill, I know they will probably have some suggestions to make. I hope that the house and the country will get some real law reform out of their efforts. I think one of the most important suggestions in this bill for law reform is with regard to the Summary Offenders Act. Over in England half the prisons have been closed as a result of it, and the expense lessened accordingly. The working classes—and there are a great number of them in the industrial ridings in our district in Toronto—have no opportunity to pay fines. They are too poor. As a result, only the wives and children are penalized. When the suggestions of the committee come down, I hope they will show that some improvement has been made along these lines.

I want to thank the minister for the courteous reception he gave the bill, and I hope and believe that we shall have a better Criminal Code.

Mr. A. L. Smith (Calgary West): I should like to say a word about this matter, Mr. Speaker, and it will be brief. I am saying it as a suggestion to the committee that are now studying this subject.

Mr. Church: I have not withdrawn the bill.

Mr. Smith (Calgary West): I may say to every one of them that I think you have a splendid committee engaged in this matter at the moment. But before we get through, I think we should get rid of an anomaly that exists. I am following up with respect to what we call motor manslaughter. Manslaughter by a person driving a motorcar is when you kill someone and you are guilty of negligence in that killing. The law has always been that you are guilty of manslaughter if it arises out of that negligence. But some years ago we made a change in the code and permitted a jury to find a person not guilty of manslaughter but guilty of reckless driving. But reckless driving is the sort of negligence that makes a man guilty of manslaughter. I know the courts all disagree with me, and they have worked the matter out in an ingenious way. But, as far as I am concerned, if manslaughter is the killing of a person as a result of negligence, then there is no foundation for what, in all our provinces, all our courts have done in permitting a jury to find a man guilty of reckless driving. Reckless driving is of course negligence. If the man is dead, it is manslaughter. But in all the provinces I think all our decisions are the other way.

That situation arose through sympathy in juries who did not want to find a person guilty of what he was guilty of, namely manslaughter. So they took the easy way out—and I speak, sir, both from the prosecution side and the defence side. It was sympathy that prompted them to take the easy way out and to find reckless driving where the penalty was less. I have often thought that our great difficulty in the whole business was in our terminology. To say that a man is guilty of manslaughter is to do something which shocks the conscience. It disturbs everybody terribly. I think we are using the worst name we can possibly use. For that reason, juries being composed of sympathetic people—they have been when they agreed with me, in any event—they are frightened by that word "manslaughter" and so is the whole public. The jury gets together. I am not supposed to know what takes place in the jury room; but as is well known, there is an infiltration to the ears of counsel on odd occasions. The jury are all frightened by this terrible word "manslaughter" where, if a man is found guilty, he may be imprisoned for life. This "life" is a tremendous thing in the eyes of the public and in the eyes of jurors. It seems to me that if we could eliminate a couple of words it would have a beneficial effect. One

of them is "life", because we know that nobody sentenced to "life" ever serves "life" unless he dies before a certain number of years have passed. We know that this word "manslaughter" is a terrific thing. You think of slaughter houses and hitting an old bull, like one of those raised by the hon. member for Dufferin-Simcoe (Mr. Rowe), on the head with a blunt axe or something. It terrifies everybody, and properly so.

Mr. Abbott: That would not be manslaughter.

Mr. Smith (Calgary West): I did not hear what the Minister of Finance (Mr. Abbott) said. However, I think his kind of bull is different from the kind raised by the hon. member for Dufferin-Simcoe. If we could eliminate some awfully terrifying words from our Criminal Code we would find less difficulty—perhaps I should not call it difficulty —we would find less facetiousness in some of the verdicts of this country.

Once more I want to compliment you, sir, and this government on the personnel of this committee which I saw working for at least two weeks during the time that we were not members of parliament. They are working hard and I think will come up with something which will satisfy the hon. member for Broadview (Mr. Church).

I commend him for introducing this bill, because he has put has finger on some very serious difficulties in connection with the administration of our criminal law.

The Acting Speaker (Mr. Beaudoin): I understand the hon. member for Broadview has indicated his wish to withdraw the bill.

Mr. Church: I would consent to the minister's suggestion and have my bill sent to the committee to be considered.

Mr. Garson: Yes, we will send it to the committee considering criminal law.

Mr. Church: Send the bill over there.

The Acting Speaker (Mr. Beaudoin): Has the hon. member permission to withdraw his bill?

Some hon. Members: No.

Mr. Garson: On a point of order, perhaps I should make it clear that the committee I referred to is not a committee of this house. Therefore after second reading of the bill there is no way by which we can send it to that committee. My suggestion to the hon. member was that the government or the Department of Justice could not recommend the bill to the house but we would be glad to submit it in its present form, with particular emphasis on the substance of it, to the committee which has been set up to revise the Criminal Code, to which the hon. member for Calgary West (Mr. Smith) referred.

Mr. Church: What would they do, consider the bill?

Mr. Garson: Yes.

The Acting Speaker (Mr. Beaudoin): I understand that the hon. member is withdrawing his bill.

Mr. Graydon: Subject to the undertaking of the minister.

Bill withdrawn.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed consideration of the motion of Mr. Garson for the second reading of Bill No. 2, to amend the Supreme Court Act.

Mr. L. Philippe Picard (Bellechasse): Mr. Speaker, as I was saying just before the house took recess, one of the objections raised by certain provincialists to the principle of this bill is that a federal court could not be an impartial judge in conflicts of jurisdiction between the central government and the governments of the provinces. This is an argument that is based on wrong premises and was refuted on Friday last by the Prime Minister (Mr. St. Laurent) when he said, as reported at page 198 of *Hansard*:

> Courts of justice have to be strictly objective and cannot regard themselves as the arbitrators of any party, but as the authority to decide between contending parties. That is the only sort of judicial body that can have the responsibility that has been exercised and discharged by the privy council.

The Prime Minister then rightly concluded that the present measure had as its object the:

> . . . . substitution of one body of men for another body of men to pronounce upon conflicts which may arise in connection with provincial or minority rights. I cannot see how it could have any effect unless one takes the view that the body of men we intend to substitute are not as reliable as the body of men for whom they are being substituted. I am of the opinion that the body of men we intend to substitute will not be inferior in ability, in integrity or in learning to the body of men for whom they are substituted.

On this point, Mr. Speaker, it is to be noted that Canada is not the only confederation where jurisdictional disputes between states or provinces and the federal authority may exist; yet no other nation in the world is in Canada's position of having to go outside the country to a court of another state for the interpretation of its constitution. The United States, Switzerland and Australia are the three countries where the settling of

jurisdictional disputes between constitutional authorities can be more suitably compared to our problems.

When presenting his amendment the leader of the opposition (Mr. Drew) said, as reported at page 194 of *Hansard*:

> Questions have been raised as to the interpretation of constitutional matters by the Supreme Court of the United States, and it has been suggested there that it has not been wise in every case to place upon the Supreme Court of the United States the onus of actually writing the constitution. Because of that very fact the Supreme Court of the United States has in certain cases become the centre of political controversy. I should hope that, by every device within the wisdom of this parliament in both its houses, the respect for the Supreme Court of Canada will be preserved by keeping it aloof from anything that might savour of controversy.

I think, Mr. Speaker, it should be first admitted that the controversies which arose in the United States were more as between the executive and the judicial than as between the states and the federal authority. Every strong-minded president has had fights with the supreme court, because of its disallowance of federal laws. The question of states' rights was seldom referred to the courts by the states themselves, but rather by private interests trying to evade the consequences of federal legislation. Robert H. Jackson, who is now sitting on the supreme court, says in his book, "The Struggle for Judicial Supremacy": "States' rights have tended to become a vested private interest in federal impotency rather than a positive privilege of the states themselves."

It is generally admitted that the supreme court in the United States has seen its power considerably expanded and has become through its own interpretations a supreme arbiter between states and federal rights, although no such authority is mentioned in article III, sections 1 and 2 of the constitution of the United States, defining its duties. Section 2 reads:

> The judicial power shall extend to all cases in law and equity arising under this constitution, the laws of the United States, and treaties made, or which shall be made, under their authority; to all cases affecting ambassadors, other public ministers and consuls; to all cases of admiralty and maritime jurisdiction; to controversies to which the United States shall be a party; to controversies between two or more states; between a state and citizens of another state; between citizens of different states; between citizens of the same state claiming lands under grants of different states; and between a state, or the citizens thereof, and foreign states, citizens or subjects.

As Jackson says:

> The exercise of a reviewing authority over state legislation, especially when supplemented by similar view of congressional enactments, made the court the arbitrator of those most persistent and difficult of our intergovernmental conflicts, those between state and nation. This has come about—

He confirms what I just said by reading the constitution. I repeat:

> This has come about although there is no express grant of jurisdiction over controversies between state and nation as there is over those between two states.

Yet it was found necessary through the development of the states for the supreme court to become the arbiter between the states and the federal government. What objection is there to our supreme court becoming the same arbiter between provincial and federal rights? Be that as it may, the United States in 1787 did not find it necessary to keep the appeals to the courts of their former mother country to decide their jurisdictional disputes. That country has had the benefit of a great national juridical institution that has nobly filled its part in the orderly development of United States governmental institutions.

The Swiss faced the same situation and it took them some time to reach a workable system of jurisdictional interpretation. Their difficulties were more in the nature of conflicts between the laws affecting the interests of private individuals of different cantons than disputes between the states and the central authority. I think that the first constitution of Switzerland that may be of interest to us as a point of comparison with our own situation is the constitution of 1848 which represented a compromise between federalism and centralization. No matter how much of an improvement it made over the period preceding, that constitution did not prove perfectly suitable. But it did promote unity in the country, equality between its citizens, and a reasonable degree of uniformity in the laws of the different states or cantons.

That constitution did establish a federal court but it had had jurisdiction over disputes between cantons or between the federal government and a canton only in matters which did not concern public law. The general task of watching over the observance of the constitution, the federal laws and the concordats was entrusted to the chief executive organ known as the federal council; jurisdiction over constitutional disputes between cantons was reserved to the federal legislature.

However, this procedure was found to be impracticable and cumbersome and was changed in 1874 when a new constitution was enacted, which constitution has remained in force until now. It has succeeded in doing away, as much as could be expected, with conflicts of law as between the different cantons. At the same time the federal court was granted wider jurisdiction by the constitution of 1874 so that it then became really

the supreme court of the land. The judges were appointed by the federal government and not by the states, as some people may want to do in our country. You never can tell, but we may be faced in this house with the proposal that while the principle is all right, the judges should be appointed partly by the provinces. In none of the confederations of which I have studied the institutions does the constitution provide for that procedure.

The federal parliament or the central authority appoints the judges to the high court or supreme court of the country. Nor do the statutes of any of these three confederations outside of Canada provide that a certain unanimity shall be asked from the judges who sit on that court on matters considered by the court. This may come before us and I think we should now settle in our minds that that would be a false premise to follow. We should continue with the supreme court that we have now, to be amended by the present bill.

The Swiss found a way to adjust their jurisdictional disputes through the medium of a federal supreme court and nobody has ever doubted the integrity and ability of those federal judges to interpret the constitution and to decide as between state and federal rights.

In Australia a federal high court was established by an article of the constitution and its jurisdiction is either conferred by the constitution or derived from parliament. The court has original jurisdiction by the constitution in all matters arising under any treaty; affecting consuls or other representatives of other countries, in which the commonwealth or a person suing or being sued on behalf of the commonwealth is a party; between states, or between residents of different states, or between a state and a resident of another state; in which a writ of mandamus or prohibition or an injunction is sought against an officer of the commonwealth.

Their parliament may also confer original jurisdiction upon their high court in any matter arising under the constitution or involving its interpretation arising under any laws made by the parliament, and so on. In that country the high court is supreme in connection with questions of jurisdiction as between state and federal rights.

It would be a sad state of affairs if we in Canada could not express the same confidence in the integrity and competence of those who may be called to sit as members of our highest tribunal. The time has arrived for Canada to assume all the attributes of nationhood. Let us rejoice that we are privileged to sit in a parliament that will take the necessary steps to emancipate us definitely. Let us rejoice that a Canadian statesman, the Prime Minister (Mr. St. Laurent), has had the courage to take the matter openly to the Canadian people in the course of an election campaign. Let us rejoice that our people had reached sufficient maturity and had enough pride in their nationhood to give such an overwhelming mandate to the man who spoke to them so frankly.

Before I take my seat may I remind the house that the Liberal party has been first and foremost in the emancipation of Canada. History recognizes that Laurier carried this country from its status of a colony to that of a dominion. It will also bear out that Mackenzie King raised it from the status of a dominion to that of a sovereign nation. Today, after consulting the people of Canada, the present Prime Minister is taking steps to erase the last vestiges of colonialism from our institutions. Strange as it may seem to my hon. friends opposite, the people of Canada seem to like it because they gave Laurier fifteen years of office, they kept at the helm Mackenzie King for the longest period any commonwealth or empire Prime Minister ever enjoyed the confidence of his people, and exactly three months ago today they returned the present Prime Minister with the largest majority in Canadian history.

Let us carry on the will of the people. Let us tonight, on this anniversary of that unequivocal expression of popular will, pass this measure with a sense of pride and satisfaction at having taken Canada one more step toward its glorious destiny as a sovereign nation.

Mr. J. L. Gibson (Comox-Alberni): Mr. Speaker, it is with a certain amount of temerity that I rise to take part in this debate, realizing as I do that I follow distinguished legal luminaries and will be followed by other gentlemen who are noted in that field. At the outset may I say that as a Canadian I feel that I can support the general principles of this bill. However, there is one feature on which I should like to have some enlightenment which I am sure some of the distinguished legal gentlemen on the government benches will be able to supply.

It seems to me that in this particular case we are to some degree setting Quebec apart from the other provinces of the dominion. I hasten to assure you that I understand that the civil code of that province is different from the laws applying to the other nine provinces of Canada, but I still feel that there must be some way of overcoming this difference. Since coming down here in 1945 it has been my privilege to become the friend of a great number of members of parliament from Quebec. It seems to me that we give

less than full measure of credit to their generosity, their tolerance, and their confidence in the rest of Canada, when we provide by statute that they should have some special protection. From my knowledge of my colleagues from the province of Quebec, I must say that I trust them sincerely, and I hope that I enjoy their confidence as they have always led me to believe that I do.

This is the twenty-first parliament. Canada has come of age. She is twenty-one parliaments old, and, if it ever existed, I think it is time we should forget the fact that there is a minority in Canada. I myself am the product of Scotch, Irish and English ancestors and a Protestant. I think in numbers that particular combination may be a minority in Canada. I have the feeling, however, that my French-speaking compatriots are the same Canadians that I am. In dealing with this particular measure in the twenty-first parliament of Canada, it would be a wonderful thing if we could say that we trust those Canadians who speak French, and that those Canadians who speak French trust us.

The people of Canada from coast to coast have just elected as Prime Minister an eminent barrister from the province of Quebec. Every province but one has given him its complete confidence. We have said to him in effect that he can appoint nine members of the supreme court. We have said to him that we trust him because we know he will be fair. I should like to believe that all the people of the province of Quebec share the same confidence in their Prime Minister that the rest of the provinces of Canada do. I am quite sure from the representation that the province of Quebec has sent to this house that the people of Quebec feel the same as we do in British Columbia and the other provinces. I do not think that Canadian public opinion would tolerate anything less than a complete measure of fairness to any minority. I am not willing to concede that French-speaking Canadians are a minority in Canada. As I said before, like myself they are Canadians.

I do not think the Canadian parliament has to demonstrate by a rigid statute that we will be fair to any section of our population. I do not intend to move an amendment to the bill when it reaches the committee stage. I think it would be a most difficult thing for any hon. member of the house either to vote to delete that clause or to retain it. I think it would be most difficult to define our feelings in that regard, but I hope that the Minister of Justice (Mr. Garson) and the Prime Minister will give consideration to removing it if it is possible, and at the same time retain that measure of confidence on the part of the people of Quebec that we all desire so much.

[Mr. Gibson (Comox-Alberni).]

Mr. E. D. Fulton (Kamloops): In rising to speak on this matter, may I say at the beginning that I believe it is one which should certainly be approached, as far as one can do so, entirely free from prejudice, whether political or personal, and passion. I am going to endeavour to carry out that belief in the remarks I am about to make, but I feel that there are considerations which should be put before the house again in support of the amendment moved by the leader of the opposition (Mr. Drew) that the bill be deferred for six months.

There have been three main points advanced by speakers on the government side in support of the bill, one by the Minister of Justice (Mr. Garson) and two by the Prime Minister (Mr. St. Laurent). I should like to deal with those points briefly before going on to advance some contrary reasons why the six months hoist should be approved. The first point, made by the Minister of Justice, was made, I believe, in the first paragraph of his speech when he said that Canada suffers under two badges of colonialism, one of which is, as he put it, the fact that we have not a court of final jurisdiction in that we still have appeals to the privy council.

To my mind, Mr. Speaker—and I say this with deference—unfortunately that is an appeal to prejudice. I felt that it destroyed the validity of much that the minister said subsequently because it is so easy to make a general statement such as, it is a badge of colonialism, and thus to arouse all the feelings of nationalism, and to oppose the argument of those who do not favour the measure, by the suggestion that those who disagree are colonially minded. If you go on doing that, you soon get away from intelligent discussion, and the discussion proceeds on the basis of prejudice. I feel that something should be said about the question whether it is a badge of colonialism. Surely the proper definition of a badge of colonialism is that the country suffers under some disability. If it is unable to exercise its full sovereignty, then certainly I would agree that would be a badge of colonialism. But that is not the case here. We have had the right for eighteen or nineteen years, ever since the Statute of Westminster, to abolish appeals to the privy council. We have not yet chosen to do so, but the mere fact that we can do so at any time that it pleases us to do so seems to me to make it—again with deference to the minister—a ridiculous suggestion to say that our failure to do so is a badge of colonialism.

I would remind the house that the Statute of Westminster was passed while a Conservative was Prime Minister, the late Lord Bennett. As a free nation, a full nation, and a

sovereign nation, as we are and as we have been since the Statute of Wesminster, if we choose to say, "No, we find that there are certain advantages in keeping our right to appeal to the privy council and of our own accord we are going to keep that right," then I suggest that is the mark of a fully grown, mature nation. I suggest that it would be the mark of a childish nation to allow our feelings to be swayed by the unfounded statement that it is a badge of colonialism and, as it were, to throw out our chest and say, "Now I am a man, away with all the former trappings; we will have no more appeals to the privy council."

I think there is a great deal to be said for the more sane and sober approach, that this matter should be viewed on the basis of the question: Where do Canada's best interests lie? Will our interests be served by maintaining the right of appeal to the privy council? I believe we should approach the problem from that point of view, and that point of view alone. As I say, to my mind the minister's speech, based as it was on the first assertion that the retention of appeals was a badge of colonialism, loses what would otherwise have been a good deal of its validity.

The second point was made by the Prime Minister, in the course of his reply to the leader of the opposition, when he used words to this effect: If you believe that in Canada we are capable of setting up a court and finding men capable of being judges so that we can erect a court of final jurisdiction which will be a credit to Canada, then you will vote for the bill; but if you believe that we are not capable of doing that in Canada, then you will vote against the bill. I feel that that argument, Mr. Speaker, must also be rejected as an appeal to prejudice.

We are not arguing that the bill should be delayed because we cannot find or cannot build up in Canada a court competent to be a court of final jurisdiction. We are saying the bill should be delayed because there are considerations which should be borne in mind, which should be discussed and perhaps acted upon in order to make that a competent court of final jurisdiction, and that those things should be done before the bill passes. The Prime Minister (Mr. St. Laurent) certainly was not accurate in his argument; and I think he was not accurate because in this respect he is a partisan. I use that word in its proper meaning; he is a partisan of the point of view that the Supreme Court of Canada must be made the final court right now, and that appeals to the privy council must be abolished right now. That is his view. From a reading of his speeches and his statements I gather that this has been his view for some time. He is a partisan of that point of view, and that has led him to make that statement. As a result of his partisanship he sees in the mind of everyone opposed to his views some suggestion that we in Canada are not capable of building up a supreme court which can be a court of final jurisdiction. That is not the case at all. We have other grounds for opposing the passage of this bill at this time, and those grounds I shall advance in a few moments.

The third point to be made in support of the position of the government, and quite a strong point, is that only recently they received a mandate from the people to carry through this project and abolish appeals to the privy council. As I say, to me that seems a very strong point, but I do not think it is unanswerable when put forward as an argument in favour of passing this bill right now in its present form. After all, Mr. Speaker, the mandate received by the Prime Minister was to abolish appeals to the privy council. As I read his statements made at that time, nothing much was said about the details of the constitutional changes which might be presumed to accompany that step. Now we find the proposal to abolish appeals to the privy council brought into the house and being pressed through without any detailed indication of what other constitutional changes are to accompany it or follow it.

It may be that the provinces will have views as to what provisions should be enacted in reference to this question of amending the constitution in Canada. I do not know, and no hon. member of this house knows, what their views will be; but I do say they should be given an opportunity to meet at that constitutional conference and put forward their views, if they wish to do so, before this bill becomes law. In effect this bill is an amendment to the constitution, both directly and indirectly. I believe that statement can be made for the reason that while the Supreme Court of Canada at the present time is set up under a statute of the federal parliament, and what we are doing here is amending that statute, nevertheless if this bill becomes law our supreme court will become the court of final jurisdiction with respect to constitutional appeals. So, from the day this bill becomes law, if a constitutional conflict arises it will be settled by the Supreme Court of Canada.

As I will show in a moment, there is nothing in the bill which even says the law in effect at the present time, by virtue of the various interpretations placed upon the constitution by the privy council, shall be carried forward into the future if this bill passes.

So we might find that in the very first case to come before the Supreme Court of Canada they would place an interpretation upon the constitution very different from the interpretations which have been placed upon it by the privy council. So almost directly, and certainly indirectly, we are providing machinery to amend the constitution. A moment ago I said I would make my address without appealing to prejudice, so I shall try to use reasoned words. I say it is unwise to proceed with this bill at the present time, before holding the conference forecast in the speech from the throne and giving the provinces an opportunity to put forward their views as to what should be the constitution of this court which we are making the court of final appeal, so it will have their confidence and the confidence of the people of Canada—as we on this side, as much as those on the other side, want it to have—as a court competent to have final jurisdiction in constitutional questions.

Some may say that I am drawing a long bow, that it is pretty far-fetched to suggest that, the day after this bill passed, the supreme court might place an altogether different interpretation upon the constitution. Well, here we are passing laws, and I think we have to examine all the possibilities if those laws go into effect. That is a possibility. Certainly that is so in view of the statement by the chief justice on June 2 of this year, to which reference has been made already in this debate, in which he is reported as having said that the supreme court is not now bound by the decisions of the privy council, and particularly that we should not be bound by the decisions of a court which, as he said, is four thousand miles from here, where they have not the same mentality. Certainly I think it is within the bounds of possibility that almost immediately a completely different interpretation will begin to be placed upon the constitution, once this law becomes effective, unless the legislation contains some safeguard against that possibility.

Another reason for saying that this is a constitutional change which should not be proceeded with at the present time, or until the other constitutional procedures have been worked out with the provinces, is that surely it is desirable to avoid anything which might destroy confidence in the court. The Supreme Court of Canada is the creation of the federal parliament alone. That being so, its constitution can be altered at will by a simple majority vote of this house. In the history of this country, as in other countries, majority votes have been taken as the result of appeals to prejudice and passion. I believe it is correct to say that in some instances those who have taken part in these majority votes have perhaps regretted their action, or it has shown that the action was unwise or taken in haste. That could happen again.

I repeat that our Supreme Court of Canada is the creation of the federal parliament. It is not a part of the constitution, as is the case with the Supreme Court of the United States. In that country the supreme court is provided for in the constitution, and a change in the framework of the supreme court there involves a constitutional amendment, with a two-thirds vote of the states and a two-thirds vote of both houses of congress. So a change in the composition of the Supreme Court of the United States is very difficult to achieve; yet it has taken place within our own generation, and the change has been made for purposes which cannot be said to be other than political. One does not wish to cast aspersions on the United States, but the simple fact is, as we recall, that the Supreme Court of the United States has been packed by the addition of judges in the hope that those judges would hold the same political views as the administration of the day and therefore would give decisions favourable to that administration. That has happened in the country to the south of us, although the change in the constitution of their court is so difficult. How much easier it would be, how much more possible for the same sort of thing to happen here, where the composition of the Supreme Court of Canada is not provided for in the constitution but in an act of the federal parliament.

If we look at it from that point of view, Mr. Speaker, we can see what we are being asked to do by the passage of this bill. We are being asked to set up a new framework within which our constitution can be amended. In the speech from the throne we find a further indication that amendments to the constitution will be suggested with respect to those things which are under federal jurisdiction, and that a conference will be called to discuss the means of amending the constitution with respect to those things which are not entirely the subject of federal jurisdiction. This certainly suggests that the government feels that it is quite proper that it should decide which fields of legislation are federal and which are provincial. If the government feels a certain thing is within the federal field, then it will amend the constitution by an act of the federal house. I believe that is the position taken by the Prime Minister.

We have a court which, by this bill, we are making the court of final jurisdiction; yet the constitution of this court can be amended by a vote of this house. What tremendous possibilities are open to the federal government to say something is a

matter of federal jurisdiction and pass a law accordingly, then if any conflict arises sub- of the Supreme Court of the United States made the final court, and ask them to say whether they are right or wrong. What a tremendous field is opened up by such a situation! Hon. members may feel I am painting a far-fetched picture and that no responsible government would attempt to circumvent the constitution by such an obvious ruse. I only remind you again, Mr. Speaker, that a similar attempt was made in the United States in our own generation, and it succeeded even though the alteration of the constitution of the Supreme Court of the United States is much more difficult than the alteration of the composition of the Supreme Court of Canada.

It is not that we are opposed to the idea of making the supreme court the court of final jurisdiction, but for these reasons we feel it would be more statesmanlike, more conducive to national unity in Canada if, before proceeding with this bill with its far-reaching possibilities, the government were to summon the conference to deal with the constitution and receive the views of the provinces, the other parties to confederation. With those views in mind, the government could arrive at a method of amending the constitution, including a constitution for the supreme court which would be acceptable to, and would have the confidence of, all parties in Canada. I believe I can speak for this party when I say that, if that approach were made, it would certainly have the confidence of this party and, I presume, of the party opposite.

I believe I speak for this party also when I say that to hurry this bill through the house, with all the potentialities I have described, before calling that other conference could not do otherwise than inspire a lack of confidence in the motives and procedure being followed by the government.

Up to the present time I have been dealing with the points advanced by the government in favour of considering this bill tonight, and also in support of the resolution for a six months hoist. I realize that the six months hoist sounds ominous. I know how often it is used with the intention of killing a bill. We are at the beginning of a parliament, however. No one on this side is questioning the fact that the government has received a mandate to carry out these changes. Supposing it is alleged that is our motive in suggesting a six months hoist, what good would be accomplished? There will be another session next year, another session the year after, and one the following year. The government majority is not going to shrink too quickly. In looking at the faces of the members opposite, I may say they all appear reasonably healthy. I see no reason to suppose that, during the life of this parliament, the government majority will vanish overnight. There will be plenty of opportunity to implement this legislation. It is not necessary to push it through as the first business of the first session. I believe there are very compelling reasons why it should be delayed until a constitutional conference can be held.

Government speakers have made reference to prominent Canadian statesmen and jurists who felt Canada should abolish appeals to the privy council. I should like to refer to one prominent Liberal statesman, who I believe was minister of justice at one time and who did hold that view while he was a cabinet minister in Canada. Upon further reflection, he changed his opinion. Edward Blake, the minister to whom I refer, spent years advocating the abolition of appeals to the privy council. Later, he went to England and spoke in the House of Commons, of which he had become a member. In referring to this matter in the British House of Commons in 1900 he used these words, which are reported in an article in the Canadian Historical Review, volume 27, at page 267:

> I speak from experience; because I know in the country whence I come, while a different set of circumstances obtains and there are different provisions, there is yet a written federal constitution; and it was found with us that where bitter controversies had been excited, where political passions had been engendered, where considerable disputations had prevailed, where men eminent in power and politics ranged themselves on opposite sides, it was no disadvantage but a great advantage to have an opportunity of appealing to an external tribunal such as the judicial committee, for the interpretation of the constitution on such matters.

I believe the remarks of Blake on that occasion are applicable to the controversies which have been raging in Canada within the last few years. Unfortunately, all the circumstances which he described have occurred and the feelings to which he referred have been aroused. In my view that is a statesmanlike utterance. Not only that, Mr. Speaker, but I believe it represents the true state of the facts. In such a circumstance, it is no disadvantage but a very great advantage to have an opportunity of submitting your differences to a judicial body quite removed from the heat, passion and prejudice of the discussion which has taken place.

Let me make this quite clear, too, that in taking the position we have in advocating this six months hoist we reject absolutely the suggestion that has been made—without hesitation, I say improperly made, whether it be made by the Prime Minister or anyone else —that we do not believe the Supreme Court of Canada is capable of being the court of final jurisdiction. We have no such feeling.

We have the utmost confidence in the supreme court. We have the utmost confidence in the men who sit on the supreme court. We have the utmost confidence that other great and qualified men, capable of being judges of such a court, can be found in succeeding years. Our lack of confidence is in the ability of government—and, Mr. Speaker, I am not referring to this particular government. Our lack of confidence arises because we know that governments or those who form them are politicians and as such are subject to political prejudices and passions as human beings. We know that governments have been known to interfere with the constitution and with the composition of the courts.

Mr. Cruickshank: The hon. member is talking nonsense now.

Mr. Fulton: What we want to do, in so far as is possible in this country, is to see to it that the court which is set up in Canada as the court of final jurisdiction is a court which cannot be interfered with in that manner. That is our reason for moving the six months hoist.

There is another matter to which I wish to refer, and perhaps it is more a matter of detail than anything else, Mr. Speaker; it is the omission from this bill of any provision which would preserve the principle of *stare decisis*. This principle has been referred to before. It is not a legal matter of interest only to lawyers but is a matter of interest to every one of us as Canadians, because that principle means simply this. It means that law is a settled thing and that the circumstances under which a man finds himself today—that is, his rights, privileges and duties—shall be the same tomorrow, and that we cannot change the law overnight, as it were, so that we suddenly find ourselves with a different set of obligations, rights and duties. That is the basis of the principle of *stare decisis*. It means that you follow a set of consistent laws; it means that if one court has decided so-and-so, then the same court with perhaps different judges will be bound by that decision and cannot start off at a tangent. It affects every one of us in our daily lives, and I think it is a matter of great regret that the government has not seen fit to embody that principle firmly in this bill.

I have referred to the statement of the chief justice. It is only a newspaper report; and while I am not suggesting that he has been inaccurately reported, it may be that the reporter did not quite appreciate what the chief justice was saying. But it certainly gives rise to misgivings to find that the chief justice is reported as saying that we are not bound by decisions of the privy council, when we all thought that we were bound by them because of that principle of *stare decisis*. If there is no such principle embodied in this act, then on the day after the act becomes law, it is possible that the court can say: We are not bound by those former decisions and we are going to decide quite differently.

There are plenty of precedents for the embodiment of that principle in legislation when constitutions are set up or changed. My own province of British Columbia has it in the Laws Declaratory Act. I believe every new province of Canada which was created subsequent to confederation had a similar statute, the effect of which was that the law as interpreted by the courts, as in effect at the date that the constitution of the province was established, shall continue to be the law in effect from that day forward.

Mr. Cruickshank: Is that British Columbia's idea now?

Mr. Fulton: That is the statute of the province of British Columbia as found in the revised statutes of the province issued last year. I have it here before me. It is on the basis of that statute that I am making my statement.

As I say, there are plenty of precedents for it, and all it means is that it gives us a guarantee that the law as it exists today will be the law for tomorrow, without the possibility of a sudden overnight change. One recognizes, of course, that as time goes on the courts place different interpretations on the previous decisions. But one of the reasons that they modify the laws only gradually is that they regard themselves as bound by that principle of *stare decisis*. It is in our laws at the present time. If that principle were not incorporated in the act, the court would be free to launch out on any new tangent that it might choose to follow and change all the precedents overnight. I certainly believe that no restriction would be imposed upon the court and that a great deal of certainty would be engendered if such a provision were inserted in this bill.

I think the words I have put forward are all I have to say in this respect, Mr. Speaker. In conclusion I repeat that there is no suggestion of colonialism in a free and fully sovereign country saying of its own accord, if it wishes to do so, that we will preserve to ourselves the right or the opportunity, if we wish it, to submit disputes on questions between ourselves, where we know that passion and prejudice may be aroused, to a body not open and subject to that passion and those prejudices. We have had the right to end that for nearly twenty years. The fact that we do not exercise that right of

our own accord cannot be said to be a badge of colonialism.

Finally I just want to emphasize again the fact that in voting for the six months hoist, as I intend to when the vote is called, there is no suggestion of lack of confidence in the present supreme court within the realm of the duties for which they have been appointed; nor is there any suggestion of lack of confidence in our ability to set up a supreme court which may be a court of final jurisdiction. But I believe that there is a lack of confidence in various quarters of Canada or lack of certainty that the court as now constituted,—and I refer not to the personnel of the court but to the constitution of the court as such,—will, without anything further, command that confidence which we all want to see it command, when it is created, as it should be, a court of final jurisdiction.

Mr. Cruickshank: I did not want to interrupt the hon. member when he was speaking but I should like to ask him a question.

The Acting Speaker: Order.

Mr. Cruickshank: I am only asking a question. It is this. Can the hon. member who has just spoken tell me one municipality or one city which agrees that we should not abolish the appeal to the privy council? He brought the municipalities into it. I would ask him to tell me one municipality.

Mr. Fulton: I do not believe I mentioned any cities or towns. I do not know of any that expressed an opinion.

Mr. Cruickshank: The hon. member mentioned municipalities and he mentioned British Columbia.

Mr. Fulton: I do not believe they have been consulted.

Mr. Daniel McIvor (Fort William): I should like to take this opportunity, Mr. Speaker, to make a few brief comments. To those of us who were born in the old land and got our start there, breaking the tie with the old land causes us to think. I do not think lightly in any way of the great benefits that have come to Canada from the people of Great Britain. I would say that the tie that binds us to the old land is stronger than a legal tie. It is the tie of the home, and the affection of a mother.

I must admit, as I sat on the other side of the house ten or twelve years ago listening to the Hon. C. H. Cahan, a former cabinet minister and an outstanding legal gentleman, I heard him say with great enthusiasm that Canada's connection with the privy council of Great Britain should be abolished. At that time I was rooming with a bright legal mind and we talked this thing over. During those years I came to my own conclusion. I am not a lawyer but on many occasions I have been thankful for the advice that these bright minds have been able to give to me and keep me out of difficulties.

The reasons why I am going to support the motion are three. They are very plain and they are clear to me. The first is, as was stated by some others, it would cost too much. I know an hon. member from Toronto said that he had a case appealed to the privy council. Well, that was all right if the city of Toronto was paying the bill. But suppose it was a farmer who had a car of cattle. He sold the cattle to a packing house and something went wrong, and he had to go to court. Suppose the case was appealed to the privy council. What farmer in Canada or anywhere else could pay a corporation lawyer's fee to go over to England to fight his case? He simply could not do it; it would cost too much. That is the first thing that the common people of Canada think a good deal about.

The second thing is, it is too slow to take a case to the privy council. I should like to ask the Minister of Justice (Mr. Garson) the history of some of those cases. They do not take three months or six months but several years, and the costs pile up all the time. We in Canada like to have a thing done. We like to get through it, win or lose, get back and settle down to business. Therefore I say that one of the outstanding arguments against appeals to the privy council from our Canadian courts is that they are too slow. We want action.

My third argument is this. Those of us who took quite a while to get through our courses know that our universities are thorough. They give a thorough training. I do not know much about our law schools except from the men who have come through them. I know that our law schools have been pretty thorough in training our young lawyers, and we have outstanding examples of that on all sides of the house. We know that the men are well trained. I have reason to think that the jurists of Canada need not take second place to the jurists of any country in the world, even Great Britain. Therefore I say that it is a slight to our jurists of Canada to have to send our cases across to the privy council. Our jurists understand Canadian life and are more familiar with it than the British jurists, who perhaps have never been out of the old land in their lives. We have a peculiar life in Canada. It is all our own. It is a blending of all the nationalities of the world, you might say, and we think we are the cream of the world and we are the best in the world. Therefore I say that it is a mistake to send our appeals to the privy council. These three reasons stand out, Mr.

Speaker. I support this legislation because it costs too much to send appeals to the privy council, it is too slow, and our jurists are the equal of any in the world.

Mr. G. F. Higgins (St. John's East): Mr. Speaker, I propose to speak in favour of the amendment moved by the leader of the opposition (Mr. Drew). I should like to advise hon. members that I do not intend to reiterate all of the arguments used by hon. members who spoke in favour of it, but I entirely agree with anything they have said. It is my intention to ask you, sir, to direct your attention to one point only, namely, that in this bill should be written a clause whereby the former decisions of the privy council would be followed.

I may say, Mr. Speaker, that of all the decisions of the privy council in the past eighty-two years, the most important one, so far as we of the province of Newfoundland are concerned, is that one which is popularly known to us at least as the Labrador boundary decision. I do not want to be thought entirely provincial in speaking this evening, but this matter is of such importance to us that I cannot help referring to it particularly. I may add that the decision of the privy council of March 1927, or a reference to it, was incorporated in the terms of union between what is now the province of Newfoundland and the Dominion of Canada.

Paragraph 2 of the terms of union states:

> The province of Newfoundland shall comprise the same territory as at the date of union, that is to say, the island of Newfoundland and the islands adjacent thereto, the coast of Labrador as delimited in the report delivered by the judicial committee of His Majesty's privy council on the first day of March, 1927, and approved by His Majesty in his privy council on the twenty-second day of March, 1927, and the islands adjacent to the said coast of Labrador.

That particular provision was inserted in the terms of union for one specific purpose, namely, to allay the fears of the people of my province—and I am sure hon. members of the province of Quebec will excuse me when I say this—of the aspirations of the province of Quebec toward our territory of Labrador. When speaking a few days ago I said that so far as we of Newfoundland are concerned this decision is of paramount importance. A great body of iron has been discovered in Labrador, and the great body of ore which has been discovered in Quebec is, practically speaking, a continuation of the same body. Our ore body lies immediately adjacent to what is presumed to be the line of demarcation between the province of Quebec and our territory of Labrador. As hon. members know, the paragraph in the terms of union which I read says:

> The coast of Labrador as delimited in the report delivered by the judicial committee of His Majesty's privy council.

But the joker in that particular wording is this: It has been delimited but it has never been specifically marked out. I understand that that demarcation is taking place at the present time, but it is not final as yet, and no final decision as to the boundary is in existence at the present time. You can understand how that might bring about a reconsideration of the decision in this matter.

I am informed that some time in 1947 a survey was made by the Quebec authorities from which a supposedly official map was drawn. I saw that map myself and it takes in approximately 100 miles of our territory in Labrador containing a valuable part of the iron ore concession. I remarked the other evening that the premier of Quebec stated last year that he intends to reopen the decision of the privy council in this particular matter. If that is done, then greater importance must be given to the statement by the Chief Justice of Canada as quoted by the hon. member for Vancouver-Quadra (Mr. Green) and by the hon. member for Kamloops (Mr. Fulton). I assume that the chief justice was correctly reported because no objection has been raised in the intervening time. If what he says is true then Newfoundland may be in for a little trouble. I am sure you will bear with me when I repeat what the chief justice is reported to have said. He is reported to have said: Why should we in Canada accept something that has been said four thousand miles away? Then the chief justice went on to say that the Supreme Court of Canada is the final court of the land and hence is not bound by judgments of the privy council.

If that opinion is the correct one then it may well be that we in Newfoundland who have surrendered our sovereignty by joining this great dominion may now be placed in the position where we will lose a valuable part of our territory to another province. Is it fair that at this early stage of our becoming one of you we should be in fear of such a thing happening? Let me assure hon. members from Quebec that I have nothing but the kindliest feelings for them and for all the people of Quebec, but this matter is much too serious as far as Newfoundland is concerned not to be referred to in the way I have.

I should like to quote from *Hansard* and from the resolution passed by the Canadian Bar Association. I do not need to read all that resolution because I think hon. members are quite familiar with it, but I should like

to direct particular attention to one part of the resolution which was referred to by the Prime Minister when he was replying to the leader of the opposition. The Prime Minister is reported on page 197 of *Hansard* of September 23, 1949, as follows:

> As to the resolution adopted by the Canadian Bar Association, I think it is worthy of great respect because I believe that all those who attend such a meeting, as do those who attend meetings of other professional bodies, attempt to act objectively and to give their fellow citizens the benefit of the best kind of opinion and advice they can tender. I think perhaps the most important provision of this resolution is that when the appeal to the privy council is abolished, provision should be made that the court consist of nine judges; and there are various organizational provisions that are contained in the legislation now submitted to this house. But subparagraph (g) of the resolution reads as follows:
>
> That the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee.
>
> That is something with which I entirely agree.

I presume the Prime Minister was speaking on behalf of the government. If he agrees with that part of the resolution, then why not have it written into this bill? The Prime Minister went on to say:

> I think it is a part of the system of the administration of justice in British countries that the decisions are regarded as binding upon themselves and upon all courts of lower jurisdiction, until they are modified or set aside by legislative action.

Was there any modification or was there any setting aside by legislative action before the comments attributed to the Chief Justice of Canada were uttered? Certainly no such action was taken.

The previous speaker seems to have a good opinion of lawyers, or at least of some lawyers, and he seems to value the Canadian Bar Association highly. If you are going to build a house or make alterations in a house, what do you do? You call in an architect and obtain his opinion. But what has happened in this particular case? We are planning here to make alterations in our legal house and we have received the advice of the finest architects in the country. Judging from some of those that I have met, I would say that they are possibly the finest legal architects in the world. I am referring to the Canadian Bar Association.

These architects of the Canadian Bar Association have made definite recommendations with respect to the alterations proposed in this legal house of ours. Are you going to be wise and follow the recommendations of those architects whose business it is to give wise advice, or are you going to follow your own ideas? This matter is in our hands.

In so far as disputes between private individuals are concerned, I can see that there would be justification for such a bill, but when there are disputes between provinces to be settled it seems to me that we should have an independent tribunal to adjudicate the matter. If anyone can present a sensible argument against that contention I shall be glad to hear it. As Lord Hewart has stated, it is necessary not only that justice be done, but that it should seem to be done. In conclusion may I say that, in view of the proposed early consultation with the provinces, in view of the recommendation of the Canadian Bar Association, and in view of there being no logical reason for haste in the passing of this bill, the only sensible thing to do is to vote for the amendment moved by the leader of the opposition.

Mr. R. E. Anderson (Norfolk): I should like to speak for a short time in support of the bill and against the amendment. I am a new member of the house, and being a farmer I do not know the finer points of law. From a practical standpoint, however, the bill seems to me to be reasonable and sensible. My forefathers came from Great Britain, and no man here could owe greater allegiance to Great Britain or be more patriotic. That allegiance is exceeded only by what I owe the Canada that gave me birth and a stake in this grand dominion.

I live with my family and my grandchildren in the county of Norfolk. I believe I shall have to apologize to the hon. member for Fort William (Mr. McIvor) for what I am about to say because I may seem to be quoting him, but I had no opportunity to revise my remarks. I refuse to admit that there are in any country in the world men of greater ability, greater knowledge of legal affairs, more sensible, or better able to legislate for Canada than Canadians. Six months will make little difference in their qualifications. We are proud of our pioneers, we are proud of our soldiers, we are proud of our statesmen, we are proud of our Prime Minister (Mr. St. Laurent) and the government. Let us be proud of our judges and show our faith in them. I follow the leadership of the Minister of Justice (Mr. Garson) who is sponsoring the bill.

Mr. Rodney Adamson (York West): I wish to speak very briefly on this subject as a layman. We have heard a great many speeches by lawyers about the abolition of appeals to the privy council. I should like to give the point of view of one who has not been trained in the profession of law. May I say that in many ways I wish I had been trained in the profession of law because I have a very great admiration for lawyers, and I believe anybody who belittles the legal

profession does so for reasons of jealousy or otherwise.

Twenty-two years ago this month the late Hon. Hugh Guthrie was discussing in this house a similar proposition. He set forth the difficulty of explaining the federal system, under which we have our constitution, to the privy council. At that time it was his opinion, expressed both in and out of the house, that there would be difficulty in having the constitutional difficulties of a federal system properly appreciated by a body of men who trained under a central government parliament, learned though they might be in the law. I think that has been demonstrated to be correct. I think that the history of the last quarter of a century has shown that decisions have been made by the privy council which indicated that possibly they did not appreciate the peculiar system of the Canadian federal constitution. That being so, there is strong reason for some revision in the status of the court of final appeal, but there are also great difficulties involved.

As I see it, the danger is not that of colonialism, but it is the danger, if, as and when we establish a court of final and absolute appeal, of the imposition of a one-party state. Hon. members may think that is perhaps remote, but I should like to remind them that there is grave danger of that happening during the life of the twenty-first parliament of Canada. If I were Minister of Justice one of the reasons why I would proceed slowly with this measure would be because of the overwhelming majority of the present administration. When there is an overwhelming majority it is a very simple and short step to a feeling of omnipotence. We have an indication of that on this continent in the example of what happened in the United States supreme court. You may say that the impact of the United States system has nothing to do with us because the constitution of the United States is not the same as the constitution of Canada. That is so, but nevertheless it is a federal constitution and its impact upon Canada, both economically and politically, is great.

Speaking as a layman, there is a great danger of the court of last resort being appointed by one political party. There is also the danger of the changing position of government in the state. There is also the danger and the possibility of a party being elected to power whose ideology is not that in which the vast majority of the members of the present house believe. That leads to the possibility, not now but should such a change take place in the composition of this house, of the appointment to the Supreme Court of Canada of politically sympathetic justices. You may say that cannot happen. It certainly has happened in the United States, and in that connection I want to quote just one paragraph from the United States *News*:

> Supreme court is expected to shift sharply to the right in decisions to be made during the approaching term.
>
> Justice Tom Clark is likely to add his weight to the non-radical contingent of justices on the nation's highest bench.
>
> Radical bloc of four promises to be reduced to a minority of two active justices at the session that begins in October.

Mr. Cruickshank: What are you quoting from?

Mr. Speaker: Order.

Mr. Cruickshank: He has to say what he is quoting from.

Mr. Adamson: If the hon. member were able to listen as well as he is able to interrupt—though perhaps at the moment whether or not he can hear is something only he can determine—he would have heard me say that I was quoting from the United States *News*.

Having said that, Mr. Speaker, having seen what has happened in the United States, where we see a court that admittedly swings to the left or to the right, while we are operating under the federal system there is the danger that some time in the future we may face the same problems and difficulties that have arisen in the United States. I do not say there would ever be a packed court, but I do say there is the danger in future of having a court representing the political views of the administration in power rather than administering the laws as this supreme court of parliament wrote them. That was thought to be impossible in the United States, but it happened. All the Roosevelt appointees have contributed to a revision of constitutional law which shifts the protection of constitutional guarantees, speaking broadly, from the individual entrepreneur to organized collectivist associations. This has resulted in the enlargement of the discretion of legislative assemblies and more particularly of administrative agencies. Thus the trend toward the eclipse of the due process of law in the economic field, the alteration of the federal system by commercial and taxing powers, the decline of judicial review and the growth of absolutism have been fostered.

If this did not so closely fit the apparent over-all direction of the central government in Canada it would not be so alarming. Unfortunately, however, it quite accurately describes what the apparent policy of our government is and has been for some time. For this reason I believe in caution in dealing

with this irrevocable matter. The law must be administered objectively. That is why I am supporting the amendment.

Mr. A. L. Smith (Calgary West): Mr. Speaker, may I assure you and the house and the minister that I shall not speak long enough to delay a decision this evening.

Mr. Cruickshank: At least you will know what you are talking about, which is more than can be said for the last speaker.

Mr. Smith (Calgary West): In reply to that remark I wish I could say there were two of us, but I am afraid I cannot make that statement at the moment.

If we were to take the opinion of the so-called man in the street, who after all is the man who sent us all down here, I am sure we would find that opinion overwhelmingly in favour of the abolition of appeals to the privy council, to put it in one short sentence. And if the minister had brought in a bill couched in that simple language I believe it would have received a tremendous amount of support from the people of Canada. But the matter is not quite that simple; and because that sentiment is so prevalent throughout Canada it seems to me that we who are here, who have to agree on the terms of legislation, who, if you will, seek to carry out the general will of the people, have imposed upon us perhaps a special duty to examine this legislation with the utmost care, first to see that their will is carried out, and second to see that in altering a status which has existed for scores of years we do not run into some pitfalls which would cause those people holding that point of view to criticize us for having failed to properly achieve their main objective.

Speaking personally, I have heard many discussions of this matter throughout the years. I have given it considerable thought and I say publicly now that broadly speaking I have been and am now in favour of the abolition of appeals to the privy council. I have taken that position for a great many years, and I still take it.

An hon. Member: Will you vote accordingly?

Mr. Smith (Calgary West): Someone says, "and vote accordingly". When I have finished perhaps that hon. gentleman will not care to make the same remark. Together with that view, however, I have also held the reservation that somehow or other I wished to find a referee or umpire in connection with jurisdictional matters as between the provinces and the dominion. If we play games we try to have them on neutral ground, and we always try to have referees who do not live in either of the contesting towns. That is a natural human instinct. We do not say we do not trust our opponents to provide good referees; we simply say we will see that they do not have a chance to do anything else. So I have thought—I must say I am weakening to some extent—that we should not do the great big sweep all at once. In 1931, I believe it was, we eliminated appeals in criminal matters. I think now we certainly should eliminate appeals in civil matters; and to a great extent I agree with the statement of the hon. member for Fort William (Mr. McIvor) that the question of cost is a very serious matter. It is a just criticism that appeals to the privy council cost money. Many people have not the money to carry the appeal to the ultimate court. I agree with that, so that is one of the many reasons which impel me to say I believe those appeals should be abolished. After all, that is merely a matter of dollars or of property, and that is about the only remaining appealable matter between person and person. I am therefore heartily in favour of the abolition of those appeals.

I shall not repeat many of the arguments which have been made with respect to jurisdiction as between the provinces and the dominion. I do not want someone to recklessly throw the statement at me that I am being political if I say what I have in mind. May I immediately add, sir, a compliment to you, the minister and the members of this house for the very high plane upon which this debate has been conducted. Listening to this debate, I have not heard a political word from either side of this house.

It does seem to me, however, that we have heard the constitution discussed. What is our constitution? Originally, it was the British North America Act of 1867, with such amendments as have been passed and such separate statutes as have been passed as, for example, the statute doing away with colonial laws validity, and the Statute of Westminster. We have not only that act, with its statutory amendments, but the interpretation of the act by our own Supreme Court of Canada and the privy council. This now forms a part of that same constitution. In a sense, it is an approach to what we call the constitution of the United Kingdom. There is not a word written, but it is a growth from precedent to precedent and is now as plain as can be. It seems to me that, in the light of that experience, the judicial interpretation has now become part and parcel of our constitution. We should do nothing to destroy that position.

I am not saying this bill does destroy it, but I realize that if we are to have a final court of appeal in Canada we cannot hamstring that court. We dare not do that. The

fact is, however, that unless we have some qualifying restriction it is open to that court to throw out all the decisions of the privy council which are today a part of our constitution and, in that way, permit that court to write a constitution which should be written in this House of Commons.

When the provinces of Alberta and Saskatchewan were created, about 1905, there was a clause written in to the effect that the law of the provinces should be the law as it was on July 1, 1870 or 1871. That simple provision has never been found to hamper our courts in any way. At the moment I am inclined to think that a simple declaration of that character should be inserted in this court statute. This could be done easily without hurting anyone's feelings, and yet this simple provision would ensure that our constitution would not be changed by a court. The constitution would remain the same as it was on the day the statute came into effect. If there is anything wrong with that, I hope the minister will tell me about it in his reply. My examination, sir, leaves me in a position where I cannot find much wrong with it.

I turn now to one other feature, and with that I shall conclude. A few weeks ago I was in Banff with the Prime Minister (Mr. St. Laurent) and the Minister of Justice (Mr. Garson). We were all old members, perhaps too old, of the Canadian Bar Association. I am happy to remember that when the convention was held in Calgary some time during the thirties I had the honour of entertaining the president of the bar association in my home, the president being the Prime Minister of Canada at the moment. We have been very close to this question for a long time. It never received the attention it should have received from that body until recently. As we all remember, a private bill covering the matter was introduced by Mr. Jaenicke, who was then with us. I am inclined to think it was not introduced with sufficient consideration. I do not think there was any discussion on the matter in this house prior to the introduction of the bill by the late Mr. Cahan. I observe that the bill before us is practically in the same language as that used by Mr. Cahan.

At the moment, I am pleading for deliberation. I know the resolution of the Canadian Bar Association was brought forth because that organization felt it owed to the public a duty which had not yet been discharged—whether it be because of lack of opportunity or for any other reason does not matter. The bar association had not given the matter sufficient study. I look at the situation now and I say to myself, "Why is the matter so urgent?" At the moment, I am aware of no appeals extant to the privy council concerning jurisdiction. There is one, I recall, carried by the Canadian Federation of Agriculture with respect to something called margarine. By the way, I had some margarine the other day in my home and I did not know it was margarine. This is the only outstanding case of which I am aware.

This parliament is going to meet next year. The Canadian Bar Association has a large council and, if I remember correctly—the minister will correct me if I am wrong—that council was to give further study to the matter. The council meets half-yearly. I realize that this six months hoist is attached to an effort to kill something. It is regarded by many of us in this room, and by a large section of the public, as a smart political trick in killing legislation one does not like.

Now, having said what I have as to my views, and I will at least be here for a year or two barring an act of God, because it would take an act of God to put me out of Calgary West as the minister knows, it will be seen that I am generally in favour of abolition. I am not satisfied, however, but I am open to conviction if you like, on this question of jurisdictional appeals, involving as it does the interpretation of our constitution.

Let me agree with many hon. members who have spoken. It is easy to say that we have just as good lawyers in Canada as there are anywhere in the world. We can get desk pounding without any trouble by assertions of that kind which are generalities and really mean nothing. But I think we have just as good lawyers in Canada as there are anywhere. I have no doubt that we have. But over there in England at the moment there is a court which has been creating precedents and dealing with these matters not only from the Dominion of Canada but from other dominions, colonies and dependencies throughout the British commonwealth; it is a court which has had much experience. Without casting any aspersions at all on our judges of the Supreme Court of Canada, I would say that they are human. I may appear there myself some day, and I know they are human enough that I should not say anything against them here, and I do not intend to do so. Let us have no doubt about that. But the judges in these courts are human beings.

This court is in a sense a dominion court. Its members live in Ottawa; they stay in Ottawa. While I will admit that they have all the attributes of Caesar's wife, they are nevertheless an Ottawa court. There is not

any doubt about that. As we are all going to be here for quite a while, I am asking the minister in all sincerity why this matter cannot stand. The debate has not been a long one. We have been on it for a matter of only a couple of days. I would ask why we cannot just let this matter stand. To do what, I may be asked. I reply: First, in order to permit cloudy-minded members like me to make up their minds on that one important point. Second, to permit the bar association and its council to study the matter. As the minister well knows, they are not self-seeking people. They are people who are seeking in this manner to do the best they can for the Dominion of Canada. With the greatest respect and deference, Mr. Speaker, I am suggesting that the government do it in their own way. I say: Never mind the six months hoist. Do it your own way. You have the bill in your possession and have control of it. Get rid of all this criticism there might be if a six months hoist amendment passes. Let this thing stand. We have one hundred new members in this house; and, except for those who belong to this profession, I greatly doubt if any of them have ever before considered this matter in their lives. Why not let it go until next February, when we shall be back, in that way giving the Canadian bar a chance to make their views known? The government will lose nothing in prestige. I think we will solidify opinion along the way that I indicate, and that is along the way of abolition. But we will do it with practically a unanimous house. To me it seems a terrible thing that we who are so close together as we are, thinking together as we are, should come to an unfortunate disagreement or division, if you like. I think it would be a tragedy, because I credit every member of this House of Commons with the desire to do his best with this subject for the people who sent him here and for the people of the Dominion of Canada as a whole.

(*Translation*):

Mr. Wilfrid LaCroix (Quebec-Montmorency): Mr. Speaker, I have only a few remarks to make and I shall be as brief as possible.

On June 6 last, at a memorable meeting held at St. Roch, the Prime Minister (Mr. St. Laurent), speaking about the Canadian flag and the abolition of appeals to the privy council, stated the following:

> The more such actions we take to assert our national independence, the sooner we shall achieve this absolute independence which we desire.

Needless to say, Mr. Speaker, I entirely share this view of the Prime Minister and I shall be pleased to vote in favour of the principle expounded during the debate on the second reading of the bill now before the house. This being said, I think it is our duty as members of the House of Commons, representing the people and the views of our provinces and our constituencies, to give careful consideration to the circumstances to be determined when we shall establish the Supreme Court of Canada.

I recently read in the September 19 issue of a Quebec city newspaper, *L'Evénement*, the following comments on the bill introduced by the government:

> For that purpose, as everyone knows, the government will introduce a bill whereby the Supreme Court of Canada will become the final court in this country. The principle of that bill could hardly give rise to objections. Indeed no one can see why an outside court—the judicial committee of the privy council in London——should be called upon to solve the juridical problems of Canada. It all depends on the composition of the supreme court. Nowadays its members are appointed by the central authority. Without their scrupulous honesty being questioned in the least, it may be thought that they are naturally prone to decide in favour of federal arguments when these run counter to others. That is what Mr. Maurice Duplessis has already stated, and it must be admitted that his views are justified in that respect.

And that is an excerpt from a Liberal newspaper, published in Quebec city by a Liberal senator who is the owner.

Mr. Speaker, I believe it my duty to make a few suggestions to the government concerning this matter.

I note that section 4 of the bill reads as follows:

> The supreme court shall consist of a chief justice to be called the Chief Justice of Canada, and eight puisne judges, who shall be appointed by the governor in council by letters patent under the great seal.

I wonder if it would be possible to have four of those judges appointed by the Canadian government from a list submitted to it by the lieutenant governors of the provinces. I do not specifically mention the province of Quebec but the lieutenant governors of the provinces.

As we have not yet reached the stage where each section is examined, the object of that suggestion is not that the provinces may themselves appoint the supreme court judges. I understand the problem which exists and which is as follows: the lieutenant governors in council cannot appoint the judges of the supreme court. This authority is vested in the federal government. Any change in this would call for an amendment to the constitution, that is to the British North America Act, 1867, which provides specifically that

the judges of the supreme court shall be appointed by the federal authority.

Indeed, section 96 of the imperial act specifically states that the governor general shall appoint the judges of the superior courts. Section 101 of the same act further stipulates that the parliament of Canada may, from time to time, provide for the institution and organization of a general court of appeal for Canada and for the maintenance thereof in order to ensure a better administration of the laws of Canada.

It is therefore in accordance with the latter clause that the present measure is enacted to organize our supreme court. We must not forget that our constitution is the result of a compromise and of an agreement between the various parts of the whole, especially between Upper and Lower Canada and the provinces of Nova Scotia and New Brunswick. That agreement and the act which followed guaranteed not only the rights of the minorities but also those of the provinces. It is unfair to dissociate the rights of the minorities from those of the provinces, because a province would be unable to protect its minorities, its way of life, its philosophy and its traditions, were provincial rights--and especially those revenues which enable a province to provide for the maintenance of her institutions—constantly pared down.

I refer, in particular, to the subsections of section 92 which empower the provinces to legislate for the founding, the upkeep and the administration, within their boundaries, of hospitals, asylums, almshouses and sheltering homes intended for their citizens as well as for municipal institutions within these same geographical limits.

If the Supreme Court of Canada, a federal tribunal whose members are appointed by the central power, provides the final, the ultimate guarantee afforded a province in the event of a conflict arising between the said province and the federal authorities, would it not be fair that a province, and more particularly Quebec, the minority province, be pledged a minimum guarantee?

It may be argued that the government intends to appoint three judges from among the judges of the Court of King's Bench. These three appointees will be chosen by the dominion government. I do not object to this section. I feel, however, that the autonomy of the provinces as well as the rights and privileges they enjoy under the constitution should be safeguarded. This could be done by the appointment of four judges, of unimpeachable honesty and integrity, chosen from a list of candidates submitted by the lieutenant governors in council. Such a step would prove satisfactory to the provinces and, I believe, afford minimum security to the province of Quebec.

There is another proposal which I take the liberty of submitting to the government. Obviously, the suggestion need not be accepted.

I believe that the decisions of the supreme court on all constitutional matters should be unanimous.

Whenever an accused is tried before a jury for a capital offence, conviction can only be secured when the twelve jurymen bring in a unanimous verdict. That is the request I make on behalf of my province. If we are to be condemned to lose some of our rights to the federal government, I request that it be only after a unanimous decision—a decision from which there can be no appeal—by the court trying our case.

I believe that this amendment which I now propose to the Supreme Court Act is quite fair and reasonable and that none of the rights—and I do not say privileges—which were guaranteed to us in order to induce us to enter into confederation should be, I shall not say abolished, but even reduced without it being done by unanimous agreement and decision.

Otherwise the dissents of the judges would be such as to indicate to the people of my province that their rights were abolished by a majority decision of the supreme court.

I will not go so far as to ask that there be unanimity *in camera,* as in the privy council. On the contrary I would suggest that the government accept the principle of unanimity in the case of the supreme court, so that the provinces may be assured that the members of this court are at least agreed on matters of litigation, when dealing, of course, with legal or constitutional disputes.

These are suggestions which I intend to submit to the government and I also intend to suggest proper amendments when we are in committee on this bill.
(*Text*):

Some hon. Members: Question.

Some hon. Members: Eleven o'clock.

Mr. Speaker: Is the house ready for the question? The question is on the amendment. Those in favour of the amendment will please say "Yea."

Some hon. Members: Yea.

Mr. Speaker: Those opposed to the amendment will please say "Nay."

Some hon. Members: Nay.

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

Mr. Drew: On division.

Motion (Mr. Garson) agreed to, on division, bill read the second time, and the house went into committee thereon, Mr. Beaudoin in the chair.

Progress reported.

Business of the House

BUSINESS OF THE HOUSE

Mr. Casselman: What is the business for tomorrow?

Mr. St. Laurent: As determined by the motion which was adopted the first day, tomorrow we shall resume the debate on the address in reply to the speech from the throne; if that is disposed of we shall take up the other matters which are on the order paper for private members' day.

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

HOUSE OF COMMONS

Wednesday, September 28, 1949

The house met at three o'clock.

SUPPLEMENTARY ESTIMATES, 1949-50

A message from His Excellency the Governor General transmitting further supplementary estimates for the financial year ending March 31, 1950, was presented by Hon. Douglas Abbott (Minister of Finance), read by Mr. Speaker to the house, and referred to the committee of supply.

CRIMINAL CODE

PORTRAYAL OF CRIMES BY PICTURES IN MAGAZINES, ETC., TENDING TO INDUCE VIOLENCE

Mr. E. D. Fulton (Kamloops) moved for leave to introduce Bill No. 10, to amend the Criminal Code (portrayal of crimes).

Some hon. Members: Explain.

Mr. Fulton: This bill is in exactly the same form as one introduced during the last session —which was then known as Bill No. 9—of the previous parliament. It is designed to amend the Criminal Code to cover those magazines and periodicals commonly known as crime comics, the publication of which is now legal but which it is widely felt tend to the lowering of morals and to the inducing of the commission of crimes by juveniles.

As I have said, the bill is in exactly the same form as that which was introduced last year, which there was not sufficient time to discuss. The form of the bill is suggested by a draft actually read to the house by a former minister of justice, now Mr. Justice Ilsley. The purpose is to deal with these publications not by imposing a direct censorship or by blanket prohibition, but rather by providing in general terms that the publication and distribution as defined in the act shall be illegal, thus leaving it for the court or jury, in accordance with the normal principles prevailing at a criminal trial, to determine whether or not the publication in question falls within the definition.

Motion agreed to and bill read the first time.

IMPERIAL OIL LIMITED

QUESTIONS AS TO ROUTING OF PROPOSED PIPE LINE

On the orders of the day:

Mr. W. Ross Thatcher (Moose Jaw): Has the attention of the Minister of Trade and Commerce been drawn to the reported offer made yesterday to civic officials in Fort William by Imperial Oil Limited to build its pipe line through Canadian territory to Port Arthur if government assistance is forthcoming? Will the government investigate the offer, with a view to reconsidering its former decision?

Right Hon. C. D. Howe (Minister of Trade and Commerce): My hon. friend suggests that the government has made a decision. So far as I know, the government has made no decision. A private project has been placed before it, and the appropriate branches of government acted upon that project as required by law. The government has received no proposal in the matter, and I doubt whether a proposal will be made to the government concerning a private project of this kind.

HOUSE OF COMMONS

JOINT PARLIAMENTARY DISTRIBUTION OFFICE— AIR CONDITIONING

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): May I ask the Minister of Public Works if he will look into the matter of the air conditioning in the joint parliamentary distribution office down below?

Hon. Alphonse Fournier (Minister of Public Works): I shall call the attention of my officials to the request of my hon. friend, and let him know what can be done.

THE BUDGET

INQUIRY AS TO PROBABLE DATE OF PRESENTATION

On the orders of the day:

Mr. George A. Drew (Leader of the Opposition): Now that the debate on the address in reply to the speech from the throne would appear to be drawing to a close, and the Minister of Finance has indicated that it is intended to proceed with the supplementary estimates, can the minister give any indication as to when it is intended to introduce the budget?

Hon. Douglas Abbott (Minister of Finance): I cannot give any definite indication, but I should hope it would be not later than the middle of October. I would not want to be held too closely to that date, but that is my hope and expectation.

BUSINESS OF THE HOUSE

ANSWERING OF QUESTIONS ON ORDER PAPER

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): In case the leader of the opposition (Mr. Drew) may be too optimistic and the debate on the address should not be concluded shortly, will some provision be made to answer the questions now appearing on the order paper?

Right Hon. L. S. St. Laurent (Prime Minister): If it is the desire of the house to have the questions answered tomorrow, I will ask my colleagues to be prepared to do so.

Mr. Coldwell: That will be satisfactory.

Mr. St. Laurent: Then the questions might be answered tomorrow.

Mr. Knowles: And notices of motion for the production of papers.

TRANS-CANADA AIR LINES

REMOVAL OF OPERATING HEADQUARTERS FROM WINNIPEG TO MONTREAL

On the orders of the day:

Mr. William Bryce (Selkirk): Can the Minister of Trade and Commerce add anything to his statement of September 19 in reply to my question regarding the transfer of Trans-Canada Air Lines personnel from Winnipeg to Montreal?

Right Hon. C. D. Howe (Minister of Trade and Commerce): I expect the president of T.C.A., who has just returned from England, to be in my office this afternoon. I shall try to get the necessary information and give it to the house at an early date.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Monday, September 26, consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. W. R. Kent (Humber-St. George's): Mr. Speaker, when this debate was adjourned last Monday evening I had reached the point where the national convention had sent a delegation to the government of Canada to discuss the possible terms of union of Newfoundland with Canada. The delegation returned and reported the terms obtained to the national convention, where they were discussed at length. From what I have previously stated, it will be seen that the national convention had no power to decide the future form of the government of Newfoundland, but merely had the power to recommend to His Majesty's government forms of government to be placed before the people in a referendum. By a vote of 29 to 16 the convention declined to recommend that confederation with Canada be included on the referendum ballot.

Because of the long discussion in the convention respecting confederation, and having regard to the number of members in the convention who had supported its inclusion on the ballot, His Majesty's government decided to place confederation on the ballot paper. In addition to this, some 50,000 Newfoundlanders, by personal letter or telegram, communicated to His Excellency the Governor their desire to have confederation placed on the ballot paper. The referendum was held, and the final result was a majority for confederation. It will be seen, therefore, that the procedure adopted to decide the future form of the government of Newfoundland was designed in a truly democratic manner to leave that decision to the people, and to the people alone. The vote was upon a clear-cut issue, and the people decided in favour of confederation with Canada. The results of the provincial and federal elections recently held in that province have placed the seal of approval on that decision.

I was, and still am, a strong believer in confederation. I have not found a solid argument against it. Those people in Newfoundland who supported confederation had good reason for supporting it. They believed that the economy of our province was linked with that of Canada, and that Newfoundland's best opportunity for future development was as a part of Canada. They saw the benefit in Canada's great social security program. Benefits to the people of Newfoundland have already accrued in the form of family allowances, increased old age pensions, the veterans' charter, unemployment insurance and others. On the other hand, Newfoundland brings to Canada her fisheries, pulp and paper and mining industries, her possibilities for water-power development, her airfields, and all her still undeveloped resources. One should consider also the value of this province from a strategic point of view in the scheme of hemisphere defence.

Perhaps I may be permitted to say a few words with reference to the riding of Humber-St. George's, which I have the privilege of representing. It is comprised of the three electoral districts of St. George's-Port au Port, Humber, and St. Barbe, and extends along the whole west coast of the island from cape Ray in the south to Boat harbour in the strait of Belle Isle in the north. The potentialities for development of the west coast of Newfoundland are very high. The lands comprising the fertile and beautiful valleys and

those enclosing the broad estuaries of the Great and Little Codroy rivers, as well as the valleys of the other rivers in St. George's-Port au Port, the valleys of the rich and scenic upper and lower Humber river, in the district of Humber, provide fertile land for farming and cattle raising. Much of this land has been developed, but much more is still open for development.

At Corner Brook, in the district of Humber, is the large pulp and paper mill owned by Bowater's Newfoundland Pulp and Paper Mills Limited. If not the largest, it is one of the largest pulp and paper mills in the world. The sea along the coast and in the bays abounds with fish of many species, from cod and herring to salmon, halibut and tuna. But here again, in my opinion, the possibilities for development have not yet been realized. As to shellfish, St. George's-Port au Port has great possibilities in clams, scallops and mussels, and the whole coast in lobster fishing.

Large tracts of timber are found upon the island, and these are being utilized in the pulp and paper and lumbering industry generally. The foothills in St. Barbe district are covered with dense forests, which, in several places, extend through to White bay. There is natural grassland on the island which could carry herds of cattle. The awe-inspiring hills which enclose the broad estuaries of the Codroy rivers, the majestic Humber, bay of Islands with the many arms extending from it, Bonne bay, and the rugged coast line, provide scenic beauty to delight the heart of any tourist. The inland country, viewed from the hills, presents the appearance of a succession of green plains marbled with woods and lakes. For the tourist there are the salmon rivers, the lakes and streams filled with trout, and the plains upon which game of every description native to the country can be found. These attractions have brought many visitors to Newfoundland. With more roads and better facilities, more tourists can be attracted to the island to enjoy the scenery and sport that can be offered to them.

One of Newfoundland's greatest needs is roads. This would enable tourists, if better facilities for crossing Cabot strait were provided, to come to Newfoundland in numbers with their cars and enjoy the pastimes which our province can afford.

There is one thing further I must mention, and that is the possibility for water-power development which is so essential to industry. As I have stated, the potentialities are great; all that is required is someone to develop the resources with which our province is endowed. I have noted with pleasure the reference in the speech from the throne to the trans-Canada highway. If that highway were extended to the province of Newfoundland, a great step in her development would have been taken.

The province of Newfoundland brings to Canada a loyal people. For years many of them have fought the elements in pursuing their livelihood on the sea around her coast and on the oceans of the world. Seamen of sterling quality have been produced. I am sure, sir, that the people of Newfoundland are wholeheartedly behind the union of Newfoundland with Canada. They will take their places as citizens of this great country and do their part in developing its future.

I deem it a pleasure and a privilege, Mr. Speaker, to sit in this historic chamber on the occasion of the entry of our province into union with Canada. It is an honour to be one of the first elected representatives from that province. So far as I am concerned, sir, I shall never forget the warmth of the welcome accorded me upon my entrance into this house.

Mr. John Decore (Vegreville): In rising to make a few observations in this debate Mr. Speaker, I wish to take this opportunity of complimenting you on the high position to which you have been called. This repetition may seem a bit monotonous, but I am sure there is no question about the sincerity of all of us in paying you this tribute. Your career in parliament over the last number of years and your conduct in the occupancy of the chair for the last number of days have certainly impressed all hon. members, particularly those who, like myself, are here for the first time. We feel that we can accept your guidance, and we know that your interpretation and application of the rules of the house will be fair and impartial.

I wish to join with others who have complimented the mover and the seconder of the address in reply to the speech from the throne. The manner in which the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing) acquitted themselves reflected credit upon themselves and brought honour to this house as well as to the constituencies which they represent.

In the course of this debate most hon. members made reference to the constituencies or districts from which they come. As one of the members from the west, I note with a great deal of satisfaction the pride that the members on the government side take in the members of the cabinet who come from the west. Those from Saskatchewan are proud of their Minister of Agriculture (Mr. Gardiner), those from Manitoba of their Minister of Justice (Mr. Garson), those from British Columbia of their Minister of Fisheries

(Mr. Mayhew), and we in Alberta are certainly proud of our Hon. James A. MacKinnon.

Those who know something about our province will certainly agree with me that Alberta is highly developed in agriculture and richly endowed with natural resources. It is sometimes referred to as a province of vast plains and towering mountains, as well as a province in which the politics are of a queer type which no one is able to understand. I was informed some time ago by Professor Irving of Toronto university that he is writing a book on social credit. Should this learned professor succeed in throwing at least some light on what social credit stands for and what it means, he would be doing a great service not only to the people of Alberta but also to the hon. member for Peace River (Mr. Low) and his nine followers in this house.

I did not intend in this maiden speech of mine to refer to any political group. However, I was amused when, in the course of this debate, the hon. member for Peace River took to task the Montreal *Star* and the Lethbridge *Herald* when these two papers referred to the party that he is leading in this house as a splinter party. At page 41 of *Hansard* of September 19 he is reported as having made this statement:

> What the Liberals did to the Conservative and the C.C.F. parties in the election of last June, and what they did not do to the Social Credit party, led me to believe at the time these articles appeared that the expression "splinter parties" simply could not refer to us.

I am not going to argue the point with reference to "splinter parties" except to say that with regard to the Alberta Social Credit party I think the expression is most appropriate. But in view of the statement made by the hon. member for Peace River, I think hon. members of this house should be given some information, based on facts and figures, as to what actually happened in Alberta on June 27 last.

In the last parliament there were two Conservative representatives from Alberta in this house. There are two in this parliament, the hon. member for Calgary East (Mr. Harkness) and the hon. member for Calgary West (Mr. Smith). They command a high respect in Alberta, and I only wish that they were on our side. However, we can conclude that the Conservative party were able to hold their own. The C.C.F. party did not have any representation from Alberta in this house in the last parliament, and they have none today. So we can conclude that this group in Alberta was also able to hold its own. What about the Social Credit party? There were two Liberal members from Alberta in this house in the last parliament. There are five of us here today. The increase has been made entirely at the expense of the Social Credit party. But what is more significant is the fact that the Liberal popular vote in that province was approximately 117,000 as compared with 131,000 for the Social Credit candidates. How is it that the Liberals have only five members from Alberta, whereas the Social Credit party have twice as many? The illustration I want to bring out now is an example of what happened in many constituencies. For instance, in the Peace River constituency the hon. member from that area received in 1945 a majority of over 3,200 votes.

Mr. Low: How many votes?

Mr. Decore: I do not know how many votes, but the majority is over 3,200 votes.

Mr. Low: Give the number of votes.

Some hon. Members: Order.

Mr. Decore: At this election on June 27 he received slightly over 300 of a majority.

We have been accused of making wild promises, but that is not so. We relied entirely on the policy of our party and the character and integrity of our leader.

An hon. Member: You did not swamp the province.

Mr. Decore: No, and we did not make promises to pay a $25 a month dividend.

The Vegreville federal constituency, adjoining the constituency of Edmonton West, contains in it the famous Redwater oil fields.

Mr. Low: The Liberals got that, did they not?

Mr. Decore: The Social Crediters are trying to take credit for it, I understand. This oil field is not only the largest one in Alberta; it is the largest in Canada. If we compare it with the Leduc field which is another major field in the Edmonton area, and the Turner valley field, we find that the Redwater field has recoverable reserves equal to the combined reserves of those other two fields to which I have referred. Recently the provincial government received as high as well over $3 million in cash for one section, and will in addition receive royalties from daily production which will become far more valuable than the cash bonus which they have already received.

A few days ago I had occasion to speak to Dr. Hume, who is the director of the mines branch of the Department of Mines and Resources, and this is what he had to say:

> The rock formation from which oil has been taken out in the Redwater area is reported to be a reef similar to a reef found in the Leduc field and the Golden Spike. The presence of reefs in Alberta, in the Edmonton area, is very significant, in the

light of developments that have occurred in the West Texas Permian basin, where reef structures have given very prolific oil production.

The Norman Wells field in the Northwest Territories in the Mackenzie river valley is also a reef in the Devonian.

Dr. Hume expressed the hope that reef structures will be found to be very widespread, and that such a formation will continue from the Edmonton fields to the Mackenzie river valley. If such hope ever became a reality, the area I have made reference to may become the greatest centre of oil production in the world.

There is no question of the part that the Vegreville constituency will play in our Canadian economy, especially when we are trying to conserve United States dollars. It is unfortunate, however, that although some farmers in that constituency have mineral rights, many of them have not. Since this matter is entirely within the jurisdiction of the government of Alberta, it is hoped that that government will eventually see fit to give some recognition to farmers who have only surface rights.

I should also like to refer to the Elk island park, situated within my constituency. A few weeks ago the Minister of Mines and Resources had occasion to visit this park. It has become one of the most popular recreational centres in northern Alberta, but aside from its recreational features it has the distinction of being the largest fenced animal reserve in Canada. You will find roaming over its lush pastures over a thousand buffalo, and many moose, deer and elk. I refer to Elk island park because I understand that the government, for educational purposes, plans the construction of a museum in this park, tracing the historic development in northern Alberta of early settlers from the pioneer days. I hope that this museum will include a replica of a palisaded fort used as a trading post in early days in that area, as well as a typical structure of the pioneer homes used by the early settlers and the ingenious ways and means that they devised to construct these homes without the necessity of buying ready-made material.

Most of the population of Alberta is mainly engaged in agriculture, or is indirectly dependent on it. There are therefore problems pertaining to agriculture in that province which are peculiar to that part of Canada. Although it is not often that we have drought conditions in northern Alberta, this year in my constituency there was a considerable lack of rain, and the crops of the farmers are poor. It is hoped that the minister will introduce such amendments to the Prairie Farm Assistance Act as will make it possible to reduce these large blocks, so that farmers in that area, especially in northern Alberta—and the same applies to northern Saskatchewan and northern Manitoba—will be eligible under the act.

The people of the rest of the western provinces, along with the people of Alberta, feel keenly about freight rates, and it is hoped that some adjustment will be made by which the distribution of such freights may be more equitable for western Canada. I might also add that there is a well represented farmers' organization in Alberta known as the Farmers' Union of Alberta. The leaders of this organization are well acquainted with farm problems, and it is my sincere wish that should any representations be made to this government by various delegates from this farmers' organization the Minister of Agriculture (Mr. Gardiner) will receive them favourably, provided of course that such representations or requests are within reason and fair.

My attention is also drawn to the fact, by people living in my constituency along the Canadian National Railways from Edmonton by way of St. Paul to Heinsburg, that this line is not completed. There is a gap of some thirty-nine miles from Heinsburg, Alberta, to a point in Saskatchewan called Frenchman's Butte. Because this gap is not completed, the farmers are getting less for their produce. I might also add that along this same line is located the Redwater oilfield, and further along the line there is a salt mine. There is quite a demand for rail transportation, and it is my sincere hope that the Minister of Transport (Mr. Chevrier) will enter into consultation with the directors of the Canadian National Railways and suggest to them the advisability of completing this gap of some thirty-nine miles.

The population of the Vegreville constituency is made up of various racial groups. In it you will find Canadians of different extractions, including Germans, Scandinavians, French, Polish, Roumanian, Scots, Anglo-Saxons and others. By far the largest group are Canadians of Ukrainian origin. These people originally migrated from Europe some fifty-five years ago, from a country where they knew nothing but suppression and obscurity. They came to Canada seeking better opportunities for themselves and for their children. Above all, they chose this land because they wanted freedom. It is almost impossible for me to describe the difficulties that these people had to surmount upon their arrival in Canada. Not only were they poor, but they had no knowledge of the English language, and they were not acquainted with Canadian institutions. They were allowed to settle on land which was considered the wilderness of the west. If you were to go through these communities today, Mr. Speaker, you

would find that this wilderness has been transformed into the best developed agricultural area in western Canada. The fact that these people were able to maintain a cultural tradition is worthy of praise. I feel that Canadians of Polish, Roumanian, Ukrainian or any other minority group are better Canadians if they realize that the stock from which they come has a fine past, incorporated in literature, music, handicrafts and religious faith. It will certainly give them not only a pride of origin, but, at the same time, confidence in their own ability to accomplish things that are worth while.

The hon. member for Vancouver South said that in diversity lies our strength. Canada is not a country of one race of people. We are in fact a country of minorities. Whoever we may be, wherever we came from, or whence came our parents or ancestors, we as Canadians should be proud of our different racial origins, proud of our traditions and of our culture. We should be proud of the fact that these things can weld us together, to make us not only better Canadians and better men, but also to make Canada, this great country of ours, a better place in which to live.

Mr. Ray Thomas (Wetaskiwin): Mr. Speaker, since the house opened on September 15 I have been sitting back in my little corner listening to the flow of oratory from both sides of the house. Because of that realization has come to me that I am among the best speakers available in the country; therefore I am rather hesitant about taking part in this debate.

I should like to add my voice to those of hon. members who have spoken earlier in welcoming the new members from Newfoundland. I speak with firsthand information, because I spent a good deal of time in Newfoundland during the last war. I found that the people of that new province are extremely hospitable, hardy and industrious. With this in mind I should like to say that in my view hon. members from Newfoundland will add greatly to the dignity of this chamber.

For a few moments this afternoon I should like to speak about my home constituency of Wetaskiwin. It is not as large or as barren as some of the constituencies thus far described. Neither does it produce an abundance of fruit, or, as has been brought to the attention of the house previously in respect of the constituency represented by the hon. member for Fraser Valley (Mr. Cruickshank), nuts. My constituency, however, is a mixed farming area. The eastern half consists of rolling fertile hills, with an abundance of water. This makes it an unrivalled mixed farming area. My reference to water is not confined to rainfall. Sometimes we are a little short of that. I had reference more particularly to the lakes, streams, and sloughs which are so necessary to the raising of livestock. Also in the central part of the constituency one finds a chain of lakes which in their pure scenic beauty are unrivalled anywhere in Canada. Any hon. members who at one time or another may have done a little fishing around Pigeon lake or Buck lake will bear me out in this.

In the northwest section of my constituency one finds immense stands of timber around Breton and Winfield. During the last few years fires have depleted these natural stands, and I say it would be in the interests of all if reforestation in that area were implemented.

On February 13, 1947, the bombshell exploded. Imperial's Leduc No. 1 well was brought into production, twelve miles northwest of the village of Leduc and twenty miles southwest of Edmonton. The oil rush was on. Overnight small, sleepy, complacent farming towns became buzzing beehives of activity. Tin-hatted oil men were brushing shoulders with the farmers on their way to market.

In December of that year thirty-one wells were in production in that area alone, producing 99,750 barrels of oil. At the end of the first year a total of forty-seven wells had been drilled in the Leduc sector, and out of that number forty-two had proven to be productive.

Owing to the influx of oil workers, there was a great demand for accommodation. The Imperial Oil Company consulted the provincial planning commission and drew up plans for a boomtown. This town became the town of Devon. One might think that a town of this size or description would be only a group of tumble-down quickly-erected buildings, tents and shacks. This did not prove to be so, however. Devon is one of the most modern small towns to be found in Canada. The bungalows constructed for the use of the oil workers are trim and modern, and would do justice to the residential area of any city in Canada. The streets are landscaped for beauty, and all facilities for recreation and sports have been provided. They have a gymnasium, a skating rink, a curling rink, and recreation grounds.

It will be remembered that Atlantic No. 3 well ran wild for six months, and also resulted in the closing down during at least part of that time of this oil field. But during the six months in which the well ran wild it produced over a million barrels of oil. This fact in itself proves the immense potentialities of that oil field. During the past year a refinery has been built at South Edmonton to accommodate at least part of the oil flow-

ing from this field. I understand that another refinery is being planned at the present time.

During the week ending August 1 last, the daily production of oil in Alberta was more than 2,000 barrels above the average of the previous week, and nearly double the average of the corresponding week last year. A total of 58,826 barrels were produced each day in the week of August 1, compared with 56,648 per day in the preceding week and 30,344 barrels in the week of August 2, 1948. Of this total the Leduc oil field gave 29,377 barrels daily as compared with 27,466 barrels in the previous week and 14,643 barrels in the week of August 2, 1948. I might add that the Redwater production for the same week was 13,408 barrels per day.

The number of operating oil wells was also increased. As of August 2 there were 890 wells in the province as compared with 876 operating wells in the previous week. Leduc went up from 289 to 294 wells, and Redwater jumped from 118 to 127. A total of fourteen wells went into production during that week.

I have before me a newspaper release issued by the Standard Oil Company of New Jersey.

The article reads:

Merrill Denison, a writer on Canadian economics and industry, says in the September issue of *The Lamp*, a company magazine:

Only a little more than two years ago Canada was importing 92 per cent of the petroleum she used. Today, with oil flowing from the new fields around Edmonton at the rate of 60,000 barrels a day, local production has already reached a level sufficient to take care of the needs of the prairie provinces; and it is more than likely that by 1958 oil from Canada's own ground will be sufficient to supply the rapidly mounting needs of the rest of the dominion as well.

Indeed the discovery of the new oil fields, if the bright promise is fulfilled, will prove more important to Canada's economy than almost any single event in her 452-year history. The promise is already tangible enough...For Canada, at long last, now is able to obtain in quantity from within her own boundaries the raw materials from which to fashion the implements of agriculture and industry, and the fuel with which to power them.

Proved reserves . . . stand today at one billion barrels. And as for the potential, it is believed that the surface has scarcely been scratched. Some idea of its scope may be gleaned from the significant fact that the promising territory is larger than that of the United States five leading oil-producing states—Texas, Oklahoma, Louisiana, California and Kansas—combined. Ultimate discoveries from this vast area will probably exceed ten billion.

A question was raised in the house the other day as to the advisability of running a pipe line from Alberta through the United States rather than along the Canadian side of the great lakes. The following statement by the Hon. N. E. Tanner may throw a little light on the subject:

The Hon. N. E. Tanner indicated Monday last week that a petroleum exchange agreement may soon be signed with the United States allowing Alberta to export oil to that country. Under the agreement, the United States would buy oil at the lakehead; eastern United States producers in turn would sell oil to eastern Canada. Mr. Tanner said such an agreement would only be possible after the completion of a proposed pipe line from Regina to the great lakes.

Mr. Tanner said that if such a policy were not agreed to by the United States, Alberta oil could only be shipped to eastern Canada at a greater cost. "We don't feel this will be necessary," he said. "We think the United States will co-operate."

He said certain United States interests oppose the United States importing oil from Canada and have accused Canada of trying to invade the American market. An agreement along the lines outlined would do away with any such accusations, Mr. Tanner stated.

All this adds up to a constituency which is rich in natural resources—and Social Crediters believe that the real wealth of the nation is its natural resources. These riches, fostered and administered so completely by Hon. E. C. Manning and his Social Credit government, makes this indeed a district to view with pride.

I should like to refer briefly to the Department of Veterans Affairs. First I should like to congratulate the government on its magnificent legislation for veterans. I know that in my own personal experience the re-establishment credits and rehabilitation that I received assisted me greatly in setting myself up in business and in furnishing my house. Nevertheless there are some things with which I am not entirely in agreement. I should like to quote a couple of sections of the Veterans Business and Professional Loans Act. Section 3, subsection 1, clause (d) reads:

The minister shall, subject to the provisions of this act, pay to a bank the amount of loss sustained by it as a result of a loan made to a veteran in pursuance of an application by such veteran in any case where:

(a) the sum of the principal amount of loan, the amount of any loan applied for by the veteran and concurred in by the minister and the amount of any guaranteed loan previously made to the veteran as disclosed in the application of the veteran or of which the bank had other knowledge did not exceed the sum of three thousand dollars.

Then follows clause (e), which reads:

The principal amount of the loan did not exceed two-thirds of the proposed total expenditure by the veteran for the purpose stated in the application.

I take that to mean that the loan that the veteran may obtain cannot exceed $3,000, that the veteran must put up $1,500, and that the loan of $3,000 will have to be the final payment on the business he is proposing to purchase. Section 8 reads:

(1) Notwithstanding anything contained in the Bank Act or any other statute, if a bank makes a guaranteed loan in respect of which it is required by regulation to take security on real or immovable property, the bank may at the time of making such loan take as security for the repayment thereof and the payment of interest thereon,

(a) a mortgage or hypothec upon the real or immovable property in respect of which all or part

of the proceeds of the guaranteed loan are to be expended;

(b) an assignment of the rights and interest of a purchaser under an agreement for sale of the real or immovable property in respect of which all or part of the proceeds of the guaranteed loan are to be expended.

(2) A bank shall have and may exercise, in respect of any mortgage, hypothec or assignment taken under this section and the real or immovable property affected thereby, all rights and powers that it would have or might exercise if such mortgage, hypothec or assignment had been taken by the bank by way of additional security under The Bank Act.

This would indicate that in order to obtain a loan the veteran has to give a mortgage to the bank. Coupled with the fact that through the Department of Veterans Affairs the government underwrites a certain percentage of the loss in the event that the veteran defaults, it would indicate that this section of the act does not afford any protection to the veteran. In my opinion it is simply designed to protect the banks from these horrible men, the veterans. I urge the minister to consider this matter very carefully so that a veteran desiring a loan to start up a business may use the loan as a down payment in making his purchase. This in itself may not sound like good business, but it was very poor business on the part of the men who gave up their associations here at home and went overseas in order that we might live and be in this House of Commons today. It is only fair that they should be considered not in a businesslike manner but in the light of the deeds they have done.

I am sure all hon. members have received a circular from the superannuated civil servants' association of Vancouver. I need not say very much about it, but these people find themselves in the same position as many others in Canada today. Many people are living on the verge of poverty, barely existing. They include those on old age pensions, blind pensions and disability pensions, as well as those living on the proceeds of various contributory pension schemes. I would urge the government to consider the position of these aged and incapacitated people, and see that they are enabled to live at least in comfort, if not in luxury.

(Translation):

Mr. Charles Cannon (Iles-de-la-Madeleine): Mr. Speaker, it is fitting that my first words in this house should be spoken in French, the language of 90 per cent of my constituents. I therefore take pleasure in resorting to French to congratulate you, as well as Mr. Macdonald, on your election to your high positions. There is no doubt in my mind that you were both eminently worthy of the honour bestowed upon you by the house. Your tact and efficiency in the discharge of your duties are further proof of the fact that the choice of the house was indeed a happy one.

I also wish to congratulate the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply to the speech from the throne. Like all other members, I was impressed by the very interesting ideas embodied in their eloquent speeches. I have the honour of being acquainted with the mover of the address, but not with the seconder. I am delighted to tell the former that he has more than lived up to his friends' expectations.

My warmest congratulations also to the Prime Minister (Mr. St. Laurent) on his magnificent victory. It was a personal triumph due largely to his tireless devotion to duty and to the painstaking journey he undertook from one end of the country to the other. In the whole history of Canada, no other premier has ever campaigned in such a manner. May I pay my respects to Mrs. St. Laurent, our premier's gracious wife who travelled with him and gave Canada striking evidence of the characteristics which distinguish a great lady and French-Canadian mother.

I wish also to congratulate all those who have taken part in the debate on the address in reply to the speech from the throne, and especially our friends from the new province of Newfoundland. Together with those who have already done so, I wish to welcome them. I want to congratulate more particularly those hon. members from the new province who have delivered such interesting speeches.

Now, Mr. Speaker, I shall go on with my remarks in the language of the majority of the members of this house.

(Text):

I think it only fitting, Mr. Speaker, that at this, the first session of the House of Commons it is my privilege to attend as the member for the Magdalen islands, I should take part in this debate, since this is the first time since confederation that the Magdalen islands have had a federal member to represent them exclusively. Until the last redistribution they were part of the county of Gaspe, which was then ably represented by my colleague the hon. member for Gaspe (Mr. Langlois), who continues to represent that constituency in this parliament.

As you know, the Magdalen islands are situated in the gulf of St. Lawrence, about an equal distance from Newfoundland and the Gaspe coast. Thus they are more or less a link between the old part of Canada and

the new province that has now joined us. In their early history they were visited by some of the greatest explorers of the North American continent—by Jacques Cartier in 1534 and again in 1608 by Samuel de Champlain who gave to Havre Aubert the name it still bears. At that time they were not inhabited. The first concession was made to a Mr. Francois Daublet in 1663. They were again conceded in 1719 to Lecompte de St. Pierre. During that period they were temporarily inhabited, and in 1763 there were ten families on the islands. By 1798 this number had increased to one hundred families, and now I am proud to say there are about twelve thousand people living on the Magdalen islands.

There are six inhabited islands in all, five of which are linked by sand bars. On some of the sand bars we have roads, and one may pass on the other sand bars at low tide; therefore the main islands, including Amherst island, Grindstone island, Alright island, Coffin island and Grosse isle, are connected; Entry island is separate. The principal industry is fishing, in which about eighty-five per cent of the inhabitants engage, and which lasts from May until October.

Up until a few years ago walrus were caught in quantity off these islands, but unfortunately this is no longer the case. They have been so depleted, they cannot be exploited on a commercial scale. The fishing industry also comprises lobster, mackerel, cod, and other species. The lobster fishing is important during the summer months. A considerable trade with the United States has been built up through the shipment of live lobster by air to Maine. Those that are not shipped are canned. These canning factories provide employment for a large number of the inhabitants of the island.

For about two weeks during the early part of June, mackerel are caught. They are known as the spring mackerel and are caught in nets. Later on in July there is another mackerel catch. These fish are caught on lines which are set out by the fishermen. Cod is the main catch. For a few months this fishing industry is the main source of income for the men. The fishermen find it difficult, however, as it is not a sufficient income for them to live on for the entire year. They are far from being well off.

The land on the islands, on the other hand, is really quite fertile. It is similar to that in Prince Edward Island. I believe if agriculture were encouraged as a second source of income for the islanders it would help improve their economic position. It is my intention to do what I can to encourage agriculture.

These islands are very beautiful. I picture them now as they were when I first saw them, lying in the gulf of St. Lawrence under a June sun. The red cliffs rising from the blue waters of the gulf were topped with a green carpet, and all three colours blended beautifully. I shall never forget that picture. I had never been to the islands before it was my honour to run as a member, and I have fallen in love with them. I am proud to represent them in this house.

One of the many difficulties facing the fishermen is the fact that they have to use relatively small boats. This restricts the area in which they can fish. It would be a great advantage to them if they could use the larger sailing vessels such as are used off the coast of New Brunswick. The federal government passed an order in council, P.C. 1919, which provided for subsidies to aid fishermen in constructing these larger vessels. The use of the larger vessels enables the fishermen to remain out several days at a time and thus make larger catches. I have received several inquiries from fishermen as to how application is made for these subsidies. After studying the order in council, I find it provides for loans to be made to fishermen through the fishermen's loan boards. These loan boards have to be set up by the provincial legislature. This has not been done in my province, but it has been done in several other provinces. I suggest it would be an excellent thing if my own province undertook to pass the legislation. The establishment of such a board would enable the fishermen to benefit from these subsidies which the federal government is willing to provide.

While I am dealing with this subject, may I say that a few years ago the control of fisheries was transferred from the federal government to the province of Quebec. Several fishermen in my county have complained about this, since they believe they received better treatment from the federal government. I suggest it might not be inappropriate to look into the matter with a view to ascertaining whether or not it would be proper to return the control of fisheries to the federal government. In many respects, the federal government is better equipped to take care of the needs of the fishermen, particularly those engaged in deep-sea fishing, as is the case around the Magdalen islands.

The fishermen of the Magdalen islands are organized into co-operative associations. These co-operatives are often short of funds. They own ships which ply between the islands and the maritime provinces and bring goods and merchandise to the islands not brought by other shipping lines. I have received

several requests for subsidies and I intend to take up the matter with the competent authorities. In my view it would not be inappropriate for the federal government to devote a few thousand dollars to help these co-operative associations, composed of fishermen of the Magdalen islands, to make both ends meet.

Many references have been made to the abolition of appeals to the privy council and the establishment of the Supreme Court of Canada as the final court of appeal. I do not intend to spend much time on that this afternoon, since it has been fully covered. Little remains to be said, but may I join the hon. members who have preceded me in this debate, as well as in the debate on the Supreme Court Act, in saying that I have the utmost confidence in the judges of the Supreme Court of Canada. The hon. members of the opposition who expressed misgivings at the idea of replacing the privy council with Canadian judges are expressing misgivings that are entirely unfounded and that do not do justice to Canadian judges, who are without peer in the world. Canadian judges are better able to administer our Canadian laws in the best interests of the Canadian people.

I should like to make one remark about the doctrine of *stare decisis*. I heard some expressions of opinion on it yesterday when it was suggested it should be incorporated in the Supreme Court Act. I wish to tell the house through you, Mr. Speaker, that in my humble opinion, and I think it is the opinion of all lawyers, such a doctrine cannot be incorporated in a statute. It is a doctrine of the common law that has developed over the years. We must count upon the judges for its application. I believe one hon. member said that, when the judges take their oath of office and swear to uphold the law as it is, by that very fact they are undertaking to apply the doctrine of *stare decisis*. It is part of our law although it is not written into any statute. We need have no misgivings on that score. The doctrine of *stare decisis* will be applied by the new Supreme Court of Canada just as it has been applied in the past. No one will suffer and there will be no encroachment upon individual or provincial rights through any lack of the application of that doctrine.

I wish to say a few words about the powers that the government of Canada is going to ask this house for, as has been foreshadowed in the speech from the throne. I refer to powers to amend the constitution of Canada by act of parliament passed in Canada. To those members of this house and those persons outside of it who have any misgivings as to provincial rights being encroached upon or that they are being placed in danger by such legislation, I wish to say that they are entirely in error. The wording of the speech from the throne shows clearly that it is not the intention of the government of Canada to do anything which might possibly encroach upon provincial rights. The relevant part of it reads as follows:

> You will also be asked to approve addresses praying the parliament of the United Kingdom to vest in the parliament of Canada the right to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the constitutional rights and privileges of the provinces or existing rights and privileges with respect to education or the use of the English and French languages.

Nothing could be clearer. This House of Commons and the Senate of Canada will ask the parliament of the United Kingdom to enable us to alter the constitution of Canada only in matters that do not come within provincial jurisdiction. After all, from a practical point of view, it is simply a change in method. It has never been contested that the parliament of Canada has the power to amend its constitution as it sees fit. As the Prime Minister (Mr. St. Laurent) has already pointed out, the constitution has been amended several times; but in the past it has been done by both houses of parliament adopting an address to the parliament of the United Kingdom, asking them to amend the British North America Act. The United Kingdom parliament has always done what we have asked it to do. It is just a matter of procedure. What we want to do now is to continue to exercise the right to amend our constitution; but, instead of doing it by an address to the parliament of the United Kingdom, we wish to do it by an act of the parliament of Canada, which is the way in which it should be done.

As was pointed out yesterday by the hon. member for Bellechasse (Mr. Picard), there are four federations which exist in the world today—the United States of America, Australia, Switzerland and Canada—but we are the only country with a federal system of government which has not the power to amend its own constitution. I think it is high time that we had this power.

May I also add this thought, Mr. Speaker. The evolution of the constitutional status of Canada, and the progress Canada has made toward nationhood during past years, have made it inevitable that, sooner or later, we should come to the point where it is necessary for us to take into our own hands the matter of amending our constitution and ask the parliament of the United Kingdom to give us these powers. I say that it is well for the minorities of this country, and particularly for

the people of my home province, that that moment should have come when it is our great good fortune to have at the head of the government of Canada a man like our Prime Minister (Mr. St. Laurent) on whom we can count to see that the powers that are taken by the federal government to amend the constitution do not encroach in any manner on the powers of the provinces as now granted by the constitution.

It is needless to say that, in order to attain nationhood, any sovereign nation exercises three basic powers: the legislative, the executive, and the judicial. If we are to exercise our legislative powers in their plenitude, it is essential that we be given the right to amend our own constitution, because it is the most important legislative power that any country can exercise. It is the fountain of the other two powers, the judicial and the executive. It is essential that we have the right to exercise our legislative powers, and I am sure that the whole of this great dominion of ours will join in thanking the government of Canada and this house for passing the legislation which has been announced in the speech from the throne and which will finally bring to us that fullness of power that we require in order to be a truly self-governing nation.

From a practical point of view, the powers of the provinces on constitutional questions will not be affected at all. As I have said before, we are only asking the parliament of the United Kingdom to give us the power to amend the constitution in purely federal matters. As to other matters, if there is need to amend our constitution, until we have made an agreement with the provinces, it will be amended as it has been amended in the past; that is to say, by an address to the parliament of the United Kingdom. If an amendment to the constitution is desired in any matter which clearly comes within the jurisdiction of the provinces, any such amendment would naturally be made by an address to the parliament of the United Kingdom, and the situation will not be changed as far as they are concerned.

Naturally, our opponents say that there may be a difference of opinion as to what are the powers belonging to the federal government and what are the powers belonging to the provincial governments. The answer to that is that the British North America Act will not be changed. It will remain as it is. We shall still have sections 91 and 92 which set out what those respective powers are. We shall still have the body of jurisprudence which has been built up and which has decided any difficulties that may have arisen as to the interpretation of that statute. If it should happen, though—and this is something which is not likely—that the federal government should introduce some legislation which, in the opinion of one or more of the provinces, encroaches upon provincial rights, the provinces could then ask the federal government to refer the matter to the Supreme Court of Canada—and it is extremely unlikely that the federal government would refuse to do so—for a decision as to whether the matter was a federal or a provincial one. But let us suppose for the moment that the federal government should refuse to do so. Even then, the provinces themselves would have the recourse of referring the matter to their respective courts of appeal; and from there the matter could be brought to the Supreme Court of Canada by way of an appeal. Then, as a last resort, they would also have the method of attacking the acts that would be carried out by the federal government as a result of the legislation. For instance, suppose the federal government decided to amend the British North America Act in such a way that a certain field of taxation would be federal and not provincial. If the two methods that I have already set forth failed to bring results, it would always be possible for someone to attack the constitutionality of the act, refuse to pay the tax, and thus bring the matter before the courts.

There is no doubt whatever that basically the rights of the provinces are perfectly safeguarded and it cannot be said in truth that these rights are affected in any way by the legislation that is being brought before the house.

I should also like to say to hon. members of the opposition, whom I have had the pleasure and honour of hearing in this house, that they do not need to fear that the government of Canada, as it is now led by the Prime Minister (Mr. St. Laurent), will do anything to depart from the principles of democracy, or that he will take the bit between his teeth, to use an expression common among farmers in my county and others, and because of the great majority that he now has in this house, do things that he would not do otherwise. Those of us who know the Prime Minister can safely say without fear of being in error that the ship of state is safe in his hands, and that he will steer it on a fair and even course and will not take any flyers in one direction or the other.

Before closing my remarks I should like to say that it was brought to my attention recently by somebody that in Canada today, although the war has been over for four or five years, no fund has been set up to compensate those who have suffered personal or property loss as the result of the war. I

understand that in the United Kingdom such a fund has been set up and compensation has been paid. That is true of the United States also. In our country that has not been done. I am told that there is a certain amount of German property which has been confiscated and is now in the hands of the custodian of alien property. This property could be sold and the proceeds used to constitute a fund to pay these war claims. I respectfully submit that it might be appropriate for the government to look into the matter and decide, having regard to the time which has elapsed since the close of the war, whether the time has not come to take some steps to see that these claims are paid.

May I return to the Magdalen islands. I have the honour to represent the smallest constituency in Canada from the point of view of its population, but from the point of view of its needs it is far from being the smallest in Canada. During the election campaign I said to the electors whom I have the honour to represent here today that there was not a county in Canada for which the federal government could do more than for the Magdalen islands. There they are, out in the middle of the gulf of St. Lawrence. The shifting sands fill in their harbours all the time. They need a lot of dredging; they need many public works; and, as the ministers have already begun to realize, I shall be visiting their offices often to obtain for my electors the help that they need from the federal government, and I am sure the federal government will give it.

Mr. G. M. Ferrie (Mackenzie): Mr. Speaker, first, I must congratulate you on attaining the position you now occupy in this house, which represents the most wonderful country in the world. I also wish to thank the Prime Minister (Mr. St. Laurent) for the help he has given in obtaining a majority of Liberals in this house. His trip was most helpful to the western members. The fine simple manner in which he and his wife spoke endeared them both to the people in a way never to be forgotten. He and his most gracious wife were kindness itself and we hope that they both will be spared to live to show the people of this country, and the world, that that which means the most to the country and to civilization is the home and all that surrounds it. I also want to thank him on behalf of my constituency of Mackenzie for his great contribution to peace and good will toward men.

May I join with those who have previously spoken to extend my sincere congratulations to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address in reply to the speech from the throne. I also wish to add my congratulations to the seconder, whose eloquence and knowledge of the English language should surely, in the future, serve him in good stead, to the great advantage of this house and the country at large.

I congratulate the leader of the opposition (Mr. Drew) on his address and the kind remarks he made regarding our leader, and I hope he will go out of his way to render the service to the country that His Majesty's loyal opposition is supposed to.

I was very much surprised—it may be my lack of knowledge—but to see all the Conservatives on my left voting with the C.C.F. on the amendment to the speech from the throne is beyond my comprehension.

I wish to congratulate the hon. member for Rosetown-Biggar (Mr. Coldwell) on his speech. I cannot say I am glad he is here, because he beat one of my best friends, and why the people of his constituency would vote for him—a city man and school teacher against a farmer, a cattleman, and a director of the Saskatchewan Association of Rural Municipalities—is beyond my comprehension. Mr. Noble knew all their troubles, and was well able to put them before any assembly. That outstanding man, Duff Noble, is also a real Liberal and believes in free enterprise, and if there is a body of farmers in western Canada who should believe in free enterprise it is those men of Rosetown-Biggar who live in a wheat factory.

Mr. Speaker, I have listened to the hon. members on my left who, ever since the house opened, have made speeches prophesying doom. The hon. member from Calgary West (Mr. Smith) is the only one on my left who has faith in the ability of our people and in their courage to conquer anything which befalls them.

The hon. member for Vancouver-Quadra (Mr. Green) said that this session would go down in the history of Canada as a constitutional session, but I think it will go down in history as a whining session. The members of the C.C.F. party have whined and wailed all through the election. They should be ashamed of the record of their colleagues in Saskatchewan, who during their entire regime of five years have not put on the statute books of that province one piece of legislation of which they can be proud.

Mr. Speaker, I congratulate the Minister of Reconstruction and Supply (Mr. Winters) on his housing scheme. But if he increases the number of houses to be built to 15,000 or 25,000 to satisfy the people in the cities, what will our farming population do for material? This year, in most of my constituency, we could not get one bag of Canadian cement under any circumstances. The only cement the farmer could get was United States

cement. The farmers and dealers co-operated and shipped in carloads of cement from the United States which cost them from $2.10 to $2.60 per bag. I say the farming population of this country is entitled to some of the material to improve their places of abode.

I should like to bring to the attention of the house my views in regard to a subject about which nearly everyone who has spoken has said something, and that is the trans-Canada highway. I am one who is not very much concerned about the trans-Canada highway. I believe that this parliament should make provision for a minister of federal roads. We should have a system of federal roads, and the minister should appoint a commission to map out a road system that would be built, operated and maintained by the federal government. Hon. members will, no doubt, wonder why I am saying this. We people in Canada need this protection. If in April or May the Minister of National Defence (Mr. Claxton) had to move an army across Manitoba, Saskatchewan and Alberta, to protect us from the north, it would be bogged down before it had gone a hundred miles.

A modern war has never been fought in this country, but our great development in Alberta of this black gold, called oil, is the envy of the world. Wealth of this kind carries with it great responsibilities, and this system of federal roads, for our protection, is one of them.

The three agricultural provinces could never maintain let alone build a standard of roads to take care of any army. This is a responsibility of this parliament to the Canadian people.

There is another matter I should like to mention, and about which I shall go into greater detail at a later date. Youth, the greatest asset we have in Canada, is not represented in the House of Commons by a minister of the crown. There should be a minister of youth, to see that our youth are started off in the right direction. I will have more to say in regard to this at a future date.

Having been in the public life of the province of Saskatchewan for twenty-seven years, I will naturally have many suggestions to put before parliament in the near future.

Let me say to the two Newfoundland members who sit with the official opposition that they need have no fear of what will happen to them financially or in any other way, provided they have a legitimate case and do not begin asking for more than can be justifiably given. They have joined the greatest nation and the finest people on earth, and they can be justly proud. So I say to them: Have faith in your people and our people, the great Canadian people; have faith in our great leader and his government, as well as in the 184 men who stand behind him in unity and strength.

Our great leader, the Prime Minister (Mr. St. Laurent), like some of the rest of us, went through trials and tribulations in the early days of this country. He does not want to go back to that, nor does he wish to see any part of the people have to do so.

I say to parliament and to the people of Canada: Have faith in this glorious country of ours, and stop this nonsense of talking depression. We have here a House of Commons of more than 250 members; and if this ugly monster of depression should rear its head, surely after the experience gained in the last one we should have enough brains and courage to help our government destroy it before it makes any headway.

In closing I should like to say something about our great little man from the west, the Minister of Agriculture (Mr. Gardiner). His contribution to the country, particularly during the last war, will be recorded in history. His policy of storing moisture in the summer fallow and wheat in the granaries was a farsighted one. He knew that after the war the peoples of the world would need this great cereal called wheat. The process of summer-fallowing resulted in growing crops second to none in our history, with the result that overnight Canada became the bread basket of the world. To a great extent this was due to the foresight and the courage of our Minister of Agriculture.

On behalf of the people of my constituency I wish to thank the minister for the great work he has done for agriculture, especially as it is found in western Canada. I thank you.

Mr. H. R. Argue (Assiniboia): My first words in this debate, sir, will be to congratulate you upon your elevation to the high office of Deputy Speaker and chairman of committees. I was happy when I saw that your name was likely to be proposed for that office, one which I am sure you will occupy with dignity and with justice to all members and groups in the House of Commons.

At the same time, through you I should like to convey to Mr. Speaker my congratulations upon his election to that high office. So far as I am personally concerned, no more agreeable choice could have been made.

At least part of my time this afternoon I shall use to discuss a problem almost as old as confederation itself, one which is most complex, namely that of fair and equitable freight rates. I realize this is a problem that cannot be easily or speedily solved, having regard to the interests of all concerned.

However, while it may be a difficult problem, it is one of such importance that all possible steps should be taken toward its solution as quickly as possible.

Every section of the population wishes to have as cheap freight rates as possible, while at the same time I have no doubt the railway workers would like to have adequate wages. I believe that, because of the increased cost of living which has developed in recent months, they deserve some consideration by way of increased wages. I submit however that an increase in freight rates should not be given on the sole ground that increases in wages may take place, because that is a factor which no one can ascertain.

A continental country such as Canada certainly requires an efficient railway system. Particularly is that true in those areas of Canada which must depend almost entirely upon the railways for the transportation of raw and manufactured products into such areas. We do need an efficient service, and for that reason we would not wish to cripple the railways from a financial standpoint, and curtail their earnings to a point where efficient service could not be maintained. At the same time, however, we feel that the freight rate structure in all parts of Canada should be made equitable. That there has not been equity in the past in the freight rate structure was recognized by the cabinet in order in council P.C. 1487 of April 7, 1948. That order in council stated that a general inquiry into freight rates had not been held since 1925, and instructed the Board of Transport Commissioners for Canada to make such a general inquiry. I wish to quote a part of that order in council:

> . . . it is therefore advisable that the Board of Transport Commissioners for Canada be directed to make a thorough investigation of the rates structure of railways and railway companies which are under the jurisdiction of parliament, with a view to the establishment of a fair and reasonable rates structure which will, under substantially similar circumstances and conditions, be equal in its application to all persons and localities so as to permit the freest possible interchange of commodities between the various provinces and territories of Canada, and the extension of Canadian trade both foreign and domestic, having due regard to the needs of agriculture and other basic industries.

Despite the Board of Transport Commissioners for Canada having been directed to set freight rates that should be, as far as possible, equitable to all parts of Canada, we find that we are now faced with an increase in the existing freight rates which are already discriminatory, as we all know, between the various sections of the nation. I think too that now is a most inopportune time for an increase in freight rates. Daily in the press we see that the prices of many articles have been increased as a result of the devaluation of the Canadian dollar. We import many commodities from the United States—coal, oil, steel and machinery of all kinds. Many of these items have been increased approximately 10 per cent. Therefore, I say, while the cost of so many important articles is increasing there should not be added to that cost an increase in freight rates. The increase in freight rates does not apply only to the freight charged on the finished article for transportation from the factory to the ultimate consumer. An increase in freight cost will increase the cost of the raw products needed by manufacturers, will increase the cost of transporting the finished products to the distribution centres, and in addition will increase the cost of transporting those products from the distribution centres to the ultimate consumers.

I think we all agree that the devaluation of the British pound creates new problems for us in holding the British market. It will be more difficult now for the British people to buy from us the same quantity of goods that they have been buying. The cost of our commodities to the consumer in Great Britain will rise. That market is important for many farm products. It is true that to some extent we have a guaranteed price for wheat, and the devaluation of the British pound may not—and I hope will not—affect our market for wheat in Great Britain for the next few years, but it certainly cannot help affecting our market for cheese, eggs, meat and other products.

When the farmers of western Canada in particular are faced with a period of great difficulty in finding adequate markets, then I say that freight rates should not be increased, thus increasing the cost to the farmers of producing these commodities, an action that cannot help lowering their standard of living. We believe that the prairies, and for that matter all of the western provinces, have paid more than their share of freight rates in the past. For every dollar that the C.P.R. and C.N.R. have earned on railway lines east of Fort William they have earned more than $2 on railway lines west of Fort William. Therefore I contend that it is not fair or just to increase the rates in those regions where they are already too high.

As I view the freight rate situation, there is only one circumstance under which an increase in freight rates at this time might be justified: that is, if the Canadian Pacific Railway Company, which has always been considered the yardstick by which freight rates should be judged, were facing imminent financial peril. Then an increase in freight rates would be justifiable in order to main-

tain our railway services. Reading the annual report of the C.P.R. for 1948, I do not think anyone can say that they are in financial peril. The annual report of the C.P.R. for the year ending 1948 shows current assets to be $145,511,052 and current liabilities to be $47,795,364, a ratio of current assets to current liabilities of a little better than three to one. Certainly that is an enviable situation. On that basis the C.P.R. is not facing financial difficulty.

At the same time the liquid position of the C.P.R. is excellent. Cash and investments in government bonds total more than $61,435,313. Reserves and unadjusted credits were $91 million in 1939, and by 1948 had increased to over $492 million, an increase in reserves and unadjusted credits of more than $400 million in the short period of nine years. That proves to me that the financial position of the C.P.R. is good, and that a legitimate case could not have been made for an increase in freight rates at this time.

I should like to quote from the bottom of page 8 and the top of page 9 of the recent judgment of the Board of Transport Commissioners for Canada as follows:

> If the board accepts the railway's contention respecting depreciation—

That is a reference to the user rates of depreciation used by the C.P.R. in 1947.

> —it is, in fact, projecting into the future a fixed expense, which, in respect to the intensity of use of the equipment and property in the future, may well be inflated, and thereby setting a general level of freight rates, applicable to the future, which may be higher than warranted.

On page 11 of the judgment the board, after having refused to consider the C.P.R. rates of depreciation, had this to say:

> In the 21 per cent case the board reduced the $21,200,000 depreciation estimate of the railway by $4 million, leaving in effect a net charge to expenses of $17,200,000. The above calculations—

That refers to calculations on the previous page.

> —for the year 1947 indicate that the board could properly have reduced further the total depreciation item.

These calculations show that the board could have reduced the depreciation item by a total of $4,467,924. The board did not allow the user rates of depreciation claimed by the C.P.R. in 1947. I now quote from the annual report of the Canadian Pacific Railway for 1948 in respect to depreciation:

> Pending the outcome of studies now under way, the user rates of depreciation were raised in order to take into account increases in investment in depreciable property which have become effective since the rates were first established. This resulted in increased depreciation charges of $6,164,075.

The board would not allow the user rates of depreciation established by the C.P.R. in 1947, and certainly they should not allow the increased user rates established in 1948, which resulted in the depreciation charge being increased by more than $6 million. Further on in the annual report I find that the net earnings from railway operations in 1948 were $18,419,166, a decrease of $4,473,023 as compared with 1947. I say the only logical thing for the board to do with the 1948 balance sheet, in order to properly compare it with the 1947 balance sheet, is to add to the net earnings for 1948 the increase in depreciation, amounting to $6,164,000. This would show the profit of the C.P.R. in 1948 from railway earnings at $24,583,000 as compared with a profit of $22,892,000 in 1947. So the true profits in 1948 were greater than those in 1947. Surely that does not indicate such financial need as would warrant an eight per cent horizontal increase in rates which are already discriminatory as between many parts of the country.

Then I think we would like to know the earnings of the Canadian Pacific Railway Company apart from its net railway earnings. Here I quote from page 19 of the judgment:

> In the case of the Canadian Pacific Railway "other income", before providing for income tax thereon, amounted to $27,189,949 in the year 1948, an increase of $2,401,022 over the year 1947, $4,410,155 over 1946 and $12,082,992 over 1945.

So the earnings of the C.P.R. on the host of railway companies that it has leased, on its packing houses, hotels, steamship companies, telegraph companies and so on, have been going up year by year until in 1948 its earnings apart from net railway earnings were $12 million more than in 1945. I say this proves conclusively that the C.P.R. is in an excellent financial position. Railway earnings in 1948 were higher than in 1947. Its other earnings were at an all-time high. Does the board believe that the railway companies face a loss of revenue in future? I say they do not, and here again I quote from page 19 of the judgment:

> Since March 30, 1948, the revenue from the railway operations of the Canadian Pacific Railway has undergone, and is undergoing, many changes. Apart altogether from the increase in revenues resulting from the authorization in order 70425 of March 30, 1948, there have been other matters affecting the revenues of that company such as the removal of the mountain differential, increases in competitive international and special rates, increases in passenger fares, etc. More time will have to elapse in order to remove from the realm of conjecture the impact of these changes on the revenue position of the company.

The board says the future revenues of the C.P.R. are still in the realm of conjecture; in other words they may decrease or they may increase. I wonder, then, why the minister should think the railways need increased freight rates, when the judgment of the board says it is still in the realm of speculation or

conjecture as to what the railway revenues may be in future. I should say it would have been much fairer and much more logical if the board had waited until some time had elapsed in order to find out what changes were taking place in railway revenues, and whether the railways in fact did need an increase in freight rates. Again, I quote from page 17 of the judgment:

> Under the existing legislation, as provided in the Canadian National-Canadian Pacific Act, 1933, this board is not empowered to consider what degree of co-operation, if any, has been achieved by virtue of that act. The respondents urged that a condition precedent to the granting of increases in freight rates should be proof by the railways that all economies contemplated by that act have been achieved. While I do not subscribe to any theory which would result in placing an impossible burden on the applicants in this regard, I have however great sympathy with much that the respondents urge. At the present time it is beyond the board's jurisdiction to inquire into that question, but I find again that one of the matters referred to the royal commission on transportation in P.C. 6033 is that it "review and report on the results achieved under the Canadian National-Canadian Pacific Act, 1933, and amendments thereto, making such recommendations as the present situation warrants."

In other words, the railways have not proved and have not attempted to prove that they have co-operated as provided by that act of 1933 in order to bring about savings in operating costs. The board of transport commissioners will not know whether or not the railways have made the savings they were to make under this act until the royal commission reports. I am therefore amazed that an increase in freight rates should be granted before the royal commission has reported as to whether or not the railways are co-operating in order to provide the most efficient service possible. In the judgment the board found that the 21 per cent increase was too great and that a 15 per cent increase would have been sufficient, but the application for an additional 20 per cent increase was based on the exhibits and arguments used in the 21 per cent case. In its judgment the board says this about the exhibits:

> I have already stated the extent to which the decision in that case—

meaning the 21 per cent case—

> —must be revised. In the light of that revision this application will certainly require that the evidence and exhibits in its support be restated and if necessary be revised.

In other words, before the board of transport commissioners could ascertain whether or not the railways needed an increase in freight rates, the railways would have to provide a new set of exhibits and set out new arguments, because the arguments and exhibits used in the 21 per cent case were fallacious.

In regard to maintenance costs used by the Canadian Pacific Railway, the board says this, at page 18 of its judgment:

> On the hearing of this application the applicants restated and brought to date their evidence and exhibits with reference to maintenance costs. I think that these maintenance costs will require further study before any decision can be given, even assuming that the requirements of the Canadian Pacific Railway are to be accepted as the yardstick for a further increase in freight rates.

This means that the maintenance costs submitted by the Canadian Pacific Railway cannot be accepted and must be resubmitted.

The board has this to say about the deferred maintenance charges shown by the Canadian Pacific Railway in those exhibits:

> The Canadian Pacific Railway commenced deferred maintenance in the year 1941, and accumulated by way of deferred maintenance, $27,600,000. To date (the end of 1948) that fund has been drawn on only to the extent of $2,250,000. The evidence in support of this application indicates that the deferred maintenance fund would be drawn upon only in those years in which "normal" maintenance had been exceeded. It may very well be that a substantial balance of this deferred maintenance fund would be carried over for an indefinite period.

In other words a substantial part of the Canadian Pacific Railway's deferred maintenance fund should be used for the payment of fixed charges and dividends, and in providing for surplus. Perhaps a large part of that $27 million in the deferred maintenance fund should be considered as profit and, to that extent, the railway rates could be reduced. This proves to me that the Canadian Pacific is in an excellent financial position. It does not face imminent financial peril and, therefore, should not be given a horizontal increase in freight rates which discriminate against so many parts of Canada and against the agricultural industry in particular.

As I said at the outset, on April 7 the governor in council instructed the board of transport commissioners to review the freight rate structure in Canada with a view to the establishment of a fair and reasonable rate structure which would, under substantially similar circumstances, be fair to all persons and all regions. By order in council P.C. 4678 on October 12, the governor in council set out the various complaints of the provinces against the manner of handling the 21 per cent case. There were ten complaints in all, and the governor in council instructed the board of transport commissioners to consider those complaints as well as the initial instructions to the board to bring in equitable freight rates. I quote from the end of the order in council of that date:

> The committee therefore advise that the board be directed to consider, in the light of such changes in conditions of operations as have or will have taken place, the complaints set forth in the petition concurrently with the pending application for a further increase in freight rates, and that the disposition by the board of the matters set forth in the petition and any revision of order No. 70425 that may result from such consideration be made by the board in

relation to its disposition of the said pending application.

The board of transport commissioners should consider the question of unjust and discriminatory freight rates, the apportionment of other income of the Canadian Pacific Railway, whether or not the depreciation charges were excessive and the other complaints of the provinces, concurrently with the application for an increase in freight rates. All those matters should be considered at the same time and a decision rendered. The board has failed to deal with the complaints of the various provinces, but the board did not fail to deal, to some extent at any rate, with the application of the railways for increased freight rates. The board granted an 8 per cent increase in freight rates without, at the same time, having dealt with all the objections raised by the provinces and particularly without having dealt with the discriminatory freight rate structure.

In view of all these facts, Mr. Speaker, I would suggest that the Minister of Transport (Mr. Chevrier) delay the coming into effect of the order granting an 8 per cent increase in rates. When the minister was speaking about this matter the other day he seemed rather confused. In one place he said that an order of the board had never been changed by the governor in council except, perhaps, in one instance. At another place in *Hansard* he is reported as having said that the governor in council had no right to interfere with an order of the board of transport commissioners.

I should like to quote section 52 of the Railway Act, which is found in the 1927 statutes.

> The governor in council may at any time, in his discretion, either upon petition of any party, person or company interested, or on his own motion, and without any petition or application, vary or rescind any order, decision, rule, or regulation of the board, whether such order or decision is made *inter partes* or otherwise and whether such regulation is general or limited in its scope and application; and any order which the governor in council may make with respect thereto shall be binding upon the board and upon all parties.

This demonstrates that the governor in council has the right and authority to change in any way at any time any order of the board of transport commissioners. Finally, I would plead with the Minister of Transport and with the cabinet, in the light of the facts that have been presented and in consideration that a royal commission is now examining the whole freight rate structure in Canada, to delay the 8 per cent increase until the royal commission has submitted its report, thus assisting the board of transport commissioners to at long last establish a fair and equitable freight rate structure throughout Canada.

Mr. A. F. Macdonald (Edmonton East): May I be permitted, Mr. Speaker, to congratulate you on your elevation to the position of Speaker of this house. As the member for Edmonton East in this parliament, I am greatly honoured but deeply conscious of my responsibility in representing an entirely urban constituency of the city of Edmonton, which is recognized as the most rapidly developing and expanding community, per capita of population, in Canada if not on the North American continent. The prestige of our leader and the record of his government gave good reason to the constituents of Edmonton East to send me here.

I must now pay tribute to the example given to the hon. member for Edmonton West (Mr. Prudham) and to me in the admirable record of the Hon. James A. MacKinnon, now a senator and minister without portfolio. He is held in the highest esteem by all residents of Edmonton and has served that city, his province and Canada with great distinction.

I should like to add my words of congratulation to the hon. member for Nicolet-Yamaska (Mr. Boisvert) and the hon. member for Vancouver South (Mr. Laing), who delivered excellent addresses in moving and seconding the address in reply to the speech from the throne. When I listened to the speech from the throne I recognized that in this session we indeed were going to consider timely and necessary legislation.

Representing as I do an entirely urban riding, I shall be ever mindful of the social security needs of my constituents, the greatest needs at the present time being those outlined with particular reference to housing, pension plans and health measures.

Edmonton, capital city of Alberta and its largest, continues to show phenomenal and steady development of commercial enterprise and industrial activities. Although recent discovery of three major oil fields in the Edmonton area has stimulated the industrial growth of Edmonton to an enormous extent during the past two years, the city has for the past many years shown a steady and consistent growth reflected not only in bank clearings but in great population gains, with huge increases from year to year in building. The spectacular growth of Edmonton is due in large part to its unique geographical location, for not only is it the centre of one of the richest agricultural areas on the continent but it is also surrounded by one of nature's greatest storehouses of valuable natural resources such as natural gas, oil, coal, salt and many others so necessary to modern industry.

I should like to say that in the Ottawa *Citizen* of today, on the financial page, there is

comment on the expansion of the mineral industry. To indicate the contribution that is being made from the territories surrounding Edmonton I should like to quote from the article in the *Citizen,* which stated that the petroleum industry swept upward in production from $11 million in 1947 to $389 million last year.

Building construction in Edmonton is almost unbelievable. Everywhere buildings under construction are to be seen, and the need is even greater than present facilities can meet. If you go out into the country surrounding Edmonton you will see, for mile upon mile, the spires of the oil wells—spires that are really comparable to the spires of these beautiful parliament buildings. The wealth that will be produced in the neighbourhood of Edmonton will help to solve the problems of our Minister of Finance (Mr. Abbott) with regard to the United States dollar shortage, and in a few years will make a great contribution to the reduction of the national debt.

The constituents of Edmonton East are of many racial origins; and I always like to think that in Edmonton East is developed a distinctive national consciousness which makes the constituents ever mindful of their unique position and their obligation to contribute their best efforts to the greatness of Canada.

In Edmonton industrial relations are excellent. Management and labour dispose of the problems that arise from time to time at a level of satisfaction that is most commendable. It is almost impossible to paint too bright a picture of the industrial future of Edmonton. A much greater development of industries allied to oil has already gained momentum. Coupled with this development is the vast agricultural revenue that flows into Edmonton from the rich farming areas surrounding the city. The constituents of Edmonton East know that as agriculture flourishes, so do the city dwellers prosper.

Edmonton, lying at the gateway of the north and its mining riches, is developing in a way never in the past conceived. Serving Edmonton are three excellently managed railways and many air lines. The city's huge airport, which is the busiest airport in Canada, handles more freight by air than any city in the world. So I can now say Edmonton, the oil centre, agriculture centre and aviation centre.

We in Edmonton East believe that a trans-Canada highway should pass through our constituency. At another time, probably quite soon, I shall have an opportunity to discourse on that subject in this house.

We in Edmonton are conscious that the residents are in complete accord with the policy of this government and its administration, and that they will at the first opportunity express through their democratic ballot a desire to select for Alberta a government in step provincially with the national administration.

Mr. L. T. Stick (Trinity-Conception): Mr. Speaker, along with others who have spoken I also should like to extend to you my congratulations. We who are new to this house cannot perhaps appreciate you as well as others who have known you longer. Your consideration to new members has endeared you to us, and I should like to convey to you my warm and sincere congratulations, and I wish you to accept them as such.

To the mover and seconder of the address I say, I have not had the honour of knowing you long but in the time I have known you I have learned to appreciate you and, young members that you are, I feel that in this party we have in you young men of promise. I offer you most heartily my congratulations on the way in which you presented your addresses.

I want to speak this afternoon on union; and, if I can, I want to rectify some of the impressions which hon. members have received on Newfoundland's entry into union. We have been received here with much kindness. We have received every consideration, and we appreciate that to the fullest. It has been suggested in this house that the people of Newfoundland voted for confederation because of the social benefits that we would receive. I do not wish to take anything away from the truth of that statement, but it is not the whole truth. I know that the economic side of union should have been surveyed and surveyed thoroughly, but there is more in union than economics. This afternoon I want to emphasize that if I can. I know that we are subject to economics from the cradle to the grave, but it is not the whole of life, and neither is it the full reason why we chose union instead of a policy of isolation. We chose it because we believed that in union there is strength, and that our future lay to the west of us, and that in adopting a policy of isolation we would be adopting a policy of disaster for our country.

As I have said, the economic side of union has been stressed in the press and on the radio, and we would do well, I think, to point out some of the aspects of union so that the whole Canadian people may have a full and complete idea as to why this union took place.

During recent years in Newfoundland we have had several forms of government. We had tried responsible government for many long years and it failed our people. It has

been said that the financial crisis in which we found ourselves was brought about by the depression. It would be truer to say that the depression hastened the crisis. We found ourselves in a position where we could not meet our obligations, and with sorrow we had to give up freedom, democratic freedom as we know it on this side of the water. A royal commission came to our country to investigate our conditions. It recommended a form of government called commission of government. We accepted it, and we accepted it in good faith. Unfortunately we found that progress without freedom is not obtainable. During the time of government by commission our people suffered as they had never suffered before. I have been amongst the people and I have come from the people, and I know what they suffered. I say that I never want to see it again as long as I live. Our people remembered these things. Because we felt that union with the other provinces would give us a measure of security, which we could never get if we had stood alone, we chose union. That was the main reason why we chose union. I was one of those who fought for it from the very beginning. It was not an easy choice for some of us to make. To give up the proud position which we had held for 450-odd years was not easy; but in choosing that side and going out and fighting for union I believed I did so in the best interests of my people, and I believe I did it in the best interests of this dominion. And now that we have union—thank God we have it—it is our job to put it to work. On what we do in this parliament in the near future, how we treat the people of Newfoundland, will very largely depend the happiness of our people.

I have been much encouraged since coming here by the kindly consideration which has been given to Newfoundland and its problems. I am glad to state here that the faith which I had before I came is sustained now, and I shall be glad to go back and tell my people that they have a sympathetic ear in Ottawa, that our just claims will be met, and that in union we shall be able to provide for our people as we have never been able to provide for them before.

I want to bring to the attention of this house the geographical position which Newfoundland holds in relation to the rest of the dominion. During recent days it has been said here that we in Canada did not come in contact with the war at first hand. The hon. member who said that did not live in Newfoundland. We did come in contact with the war at first hand in Newfoundland, and thousands of our people saw ships, laden with iron ore, torpedoed, and sent to the bottom in the twinkling of an eye with a tremendous loss of life. We know what war means. We have experienced it at first hand. Many hundreds of ships have been torpedoed on our coasts, and the survivors have been landed at St. John's and cared for in our hospitals during the war. I mention these facts because I do not want Canada to make the mistake that the British Admiralty made in the period between the two wars when Great Britain concentrated her defences in Bermuda instead of in Newfoundland. That mistake cost us very dearly, and it very nearly cost us the battle of the Atlantic. If we had lost that battle we would have lost the war.

By this act of union Canada is now secure on her eastern border. If we had chosen otherwise I think that the party sponsoring economic union with the United States would have won. If that had happened, I believe that economic union would have taken place with that country, and this dominion would have been faced with the situation that she was faced with when Alaska was taken over by the United States. That great country to the south is a friendly country, it is true. But we wanted to keep Newfoundland British; we wanted to keep Newfoundland within the British commonwealth of nations; we wanted to link up with you, to make you stronger, so that your voice for peace raised in the future would be a strong and a united voice.

Some people have said that we should have had responsible government and that negotiation should have taken place as between governments. My reply to that is this: Economically speaking, we have gone through serious times before. The world situation in trade and commerce was none too secure, as we have had evidence of late. We believed that the only time we should come into the union was when we were in a financially strong position. That was the path of honour, and we chose that path. That is why we came in when we did—and I believe we did the right thing when we did it.

May I draw your attention to another point. At the very time when this great country was negotiating for the coming into being of the Atlantic treaty, my province entered into union with you. The fact is that we joined with you. Soon afterwards the Atlantic pact was signed, and this was followed by the lifting of the Berlin blockade, making the peace of the world more secure than ever before.

Those acts are related. Just at the very time when Canada's voice should have been united and strong, it was made that way by our act of union. And it may well be that, through this small act of ours, we may have played a big part in bringing about that

alliance, which is the strongest force we have in the world today for peace. Big things come from small things. I believe those acts are related. If we have helped Canada in any way to preserve the peace of the world—even if only in a small way—we in Newfoundland will take pride in that fact.

The union of Newfoundland with Canada has been analysed from the standpoint of dollars and cents. Can anyone in this House of Commons analyse what I have said from a dollars-and-cents standpoint? It goes beyond that: it is the union of two peoples bound together by religion, by language, by geographical position and by the type of life we live. Many thousands of our people from Newfoundland have come to this country seeking their bread and butter; and they have made good here.

It has been said that we have unemployment in Newfoundland. It is sad to relate that, unfortunately, at just this time of the year, it is on the increase. But unemployment in Newfoundland is not the fault of union; we have had unemployment there for years. It is a problem which is not easy of solution; but we believe that under union we can solve it. With your sympathetic help and co-operation we believe we can do it.

My country is an old country, with 452 years of history. We are a proud and an hospitable people. Many hon. members have indicated their intention of coming to Newfoundland and viewing our country. May I give them a bit of advice? I have received advice since coming to Ottawa, and I should like to give some at this time. When you come to visit us remember two things: remember that we are an hospitable and proud people; and when you partake of our hospitality do not forget our pride. And when you come in contact with our pride, please think of our hospitality.

The time at my disposal is almost up, and I do not wish to delay the house unnecessarily. I do wish to say this in all sincerity, however, that as it has been our boast of old that we were Britain's most ancient and loyal colony, and as we are the cornerstone of empire, so do I believe that in the future it will be our proud boast that we are Canada's newest and most loyal province.

On motion of Mr. Pouliot the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we hope to complete this debate.

Mr. Knowles: Was there not some proposal for interim supply tomorrow?

Mr. Fournier (Hull): Oh yes; at the outset the Minister of Finance (Mr. Abbott) will move to go into committee of supply for interim supply.

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

HOUSE OF COMMONS

Thursday, September 29, 1949

The house met at three o'clock.

ONTARIO APPLES

APPRECIATION OF GIFT OF MEMBER FOR LEEDS

Mr. Daniel McIvor (Fort William): Mr. Speaker, out of the goodness of his heart someone occasionally provides a treat for members of this house; and today we have on our desks these beautiful apples. We thank the donor, but so far as I am concerned the apples would taste far sweeter if the gift were shared by all those in the house, including the page boys and others.

Mr. G. A. Cruickshank (Fraser Valley): May I say a word in appreciation of these apples which have been given to us by an hon. member from Ontario—in lively anticipation of the British Columbia apples we shall be given later, which will be of a much greater size.

Mr. G. T. Fulford (Leeds): These apples were presented to me on Monday, as I was leaving Brockville. They are McIntosh Reds, and were grown by a resident of the county of Leeds. I hope they prove that the apples of eastern Ontario will stand up against those grown anywhere else in Canada. As you know, Mr. Speaker, eastern Ontario is the home of the McIntosh Red.

EXCHEQUER COURT ACT

AMENDMENT TO EXTEND TIME FOR APPEAL TO SUPREME COURT, ETC.

Hon. Stuart S. Garson (Minister of Justice) moved the first reading of Bill No. 8 (from the Senate) to amend the Exchequer Court Act.

Motion agreed to and bill read the first time.

DEPARTMENT OF JUSTICE ACT

AMENDMENT TO MAKE DEPUTY MINISTER OF JUSTICE THE DEPUTY ATTORNEY GENERAL

Hon. Stuart S. Garson (Minister of Justice) moved the first reading of Bill No. 9 (from the Senate) to amend the Department of Justice Act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

S.S. "NORTHUMBERLAND"—DAMAGED BY FIRE

Mr. Church:

1. What has been done to replace the steamer *Northumberland* which was burnt at Port Dalhousie?

2. Was an inquiry held into the burning of the *Northumberland*?

3. If so, what was the nature of the inquiry?

4. How long had this ship been in use and what inspection was made of it?

5. Was this ship not already in commission when the accident happened?

Mr. Chevrier:

1. The Canadian National Railways advise that no plans are at present under consideration for the replacement of the steamer *Northumberland*.

2 and 3. The usual casualty report was made to the collector of customs as required by the Canada Shipping Act, 1934, and on the basis of this report it was considered that no further inquiry under the Canada Shipping Act was necessary.

4. The S.S. *Northumberland* was built in 1891. She had undergone the regular inspection as required by the Canada Shipping Act, 1934.

5. The S.S. *Northumberland* had not commenced her season's work when the fire occurred. Some of the crew were on board the ship, but her annual inspection had not yet been completed, and the inspection certificate which was necessary before she would be permitted to commence operation had not been issued.

IMPORTS OF POTATOES AND OTHER STARCHES

Mr. Hatfield:

1. What was the value and quantity of potato starch imported into Canada in the year 1949 to date?

2. What was the quantity of other starches, and value, imported into Canada during the same period?

Mr. McIlraith:

1. Imports, "potato starch and potato flour", January 1 to July 31, 1949—766,980 lbs., valued at $49,948.

2. Imports, "starch, including corn starch, and all preparations having the quality of starch, n.o.p.", January 1 to July 31, 1949—1,947,752 lbs., valued at $117,806.

INCOME TAX—MEDICAL EXPENSES—AMBULANCE SERVICES

Mr. Hansell:

Are ambulance services considered to be part of medical expenses for the purpose of income taxes, and if not, in what way does the government consider them not to be?

Mr. Mayhew: Amounts paid for ambulance services are not included in the medical expenses set forth in subsection (b) of section 26 of the Income Tax Act.

Questions

LIFE-SAVING FACILITIES ON LAKES AND INLAND WATERWAYS

Mr. Church:

What has been done by the government since last session to provide a proper life-saving system for the lakes and inland waterways in the province of Ontario and all of Canada?

Mr. Chevrier: An interdepartmental committee has been appointed under the chairmanship of the Canadian maritime commission for the purpose of co-ordinating the functions of all government departments concerned in search and rescue work on the east coast, west coast and the great lakes.

MARITIME COMMISSION FOR ST. LAWRENCE AND GREAT LAKES—AIDS TO NAVIGATION

Mr. Church:

1. What has been done since last session to establish a maritime commission in the province of Ontario, for the river St. Lawrence and the Great Lakes?
2. What facilities and other aids to navigation have been considered by the government since last session and what action has been taken?

Mr. Chevrier:

1. The jurisdiction of the Canadian maritime commission extends to the great lakes and St. Lawrence river as well as to the east and west coasts.

2. Since last session ten lighthouses and six fog alarms have been improved and twenty-four unlighted buoys have been placed. One improved combined light and fog alarm station is now under construction. A new lifeboat for the east coast is under construction. At Montreal, Toronto, and Midland, equipment has been installed to provide radiophone communication service for shipping on very high frequency to supplement the service now being provided on medium frequency. Action has been taken to provide duplex terminal equipment for stations at Midland and Port Burwell, Ontario, and Father Point, Quebec, in order that persons on board radiophone-equipped ships may establish direct telephone contact with any telephone subscriber on shore; all other stations on the Great Lakes and at Montreal and Quebec already have been equipped for this service.

In addition the 1949 program involves the establishment of nine beacon lights, thirteen lighted buoys, and three radar reflectors and the installation of a radiophone at Parry Sound.

An answer furnished last year indicated the numerous aids to navigation already in operation and pointed out the requirements of the Canada Shipping Act with respect to the carrying of life-saving appliances and equipment on ships and the yearly inspection of hulls and equipment by steamship inspectors.

[Mr. Mayhew.]

STEEL CONTROL

Mr. Isnor:

1. Is steel subject to any form of control?
2. If so (a) what form of control; (b) what was the date on which steel controls were brought into effect?
3. Is there any price control on steel scrap?
4. If so, what type of control is still in effect?
5. Does this apply to all provinces?

Mr. Belzile: In so far as the wartime prices and trade board is concerned:

1. Yes. There are price ceilings on all forms of basic mill steel products.

2. (a) Controls over distribution and quantity, which are relaxed or expanded when advisable, as well as controls over the export and import from various countries.

(b) June 24, 1940.

3. Yes.

4. Control over steel scrap remains mainly as a price control; there is also control as to grade and classification.

5. Yes.

WHEAT—SHIPMENTS THROUGH CHURCHILL

Mr. Wright:

1. Has the wheat board set a date for the stoppage of all shipments of wheat to Churchill?
2. If so, on what date and what are the reasons for stopping such shipments on this date?
3. On what date were such shipments stopped in 1948?
4. Has the wheat board established a price for wheat at Churchill under the world wheat agreement?
5. If so, what is this price?
6. Will the wheat board use the storage space at Churchill this season?

Mr. McIlraith:

1. Yes.

2. September 8, 1949. Sufficient wheat in store Churchill or en route to meet requirements.

3. September 16, 1948.

4. No, but question was raised and matter is receiving attention.

5. Answered by No. 4.

6. For small quantities only.

LOAN TO U.S.S.R., 1942—REPAYMENT

Mr. Gauthier (Portneuf):

1. Did the U.S.S.R. on September 8, 1947, pay the last instalment due to Canada on the $5,000,000 lent under the authority of order in council P.C. 7822, dated September 1, 1942?
2. If not, what valid reasons were given for non-payment?

Mr. Belzile:

1. The Union of Soviet Socialist Republics paid on September 8, 1947, the last instalment due to Canada on a credit of $10 million authorized by P.C. 7822, dated September 1, 1942.

2. Answered by No. 1.

Questions

WHEAT—SHIPMENTS THROUGH CHURCHILL

Mr. Diefenbaker:

1. How much wheat was in storage at the port of Churchill (a) at the opening of the shipping season, 1949; (b) in May, 1949?

2. How much (a) wheat; (b) flax; (c) barley; (d) oats; was shipped to Churchill from each of the provinces of Manitoba, Saskatchewan and Alberta between the 1st of January and the 31st of July, 1949?

Mr. McIlraith:

1. (a) 1,476,385-40 bushels; (b) 100,431-20 bushels.

2. (a) Wheat: Manitoba, nil; Saskatchewan, 1,105,014-30 bushels; Alberta, nil.

Cars en route as at July 31, 1949, estimated at 1,700 bushels per car: Manitoba, nil; Saskatchewan, 387 cars (657,900 bushels); Alberta, nil.

(b) Flaxseed, nil.

(c) Barley, nil.

(d) Oats, nil.

RADIO RECEIVING LICENCES

Mr. Brown (Essex West):

How many radio licences have been sold in Canada each year in each province since 1940?

Mr. Chevrier:

Statement showing the number of private receiving stations licences issued in Canada by provinces for the fiscal years 1940-41 to 1949-50 to Aug. 31 inclusive

	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49	1949-50 to Aug. 31
P.E.I. ..	6,337	8,962	8,516	10,583	10,228	10,346	10,626	12,173	11,825	8,177
N.S. ..	62,496	71,776	81,524	79,887	82,694	80,759	87,043	91,940	99,477	79,815
N.B. ..	41,758	48,728	52,745	52,698	53,240	55,043	57,159	68,484	75,559	60,881
Que. ..	346,328	400,902	436,288	455,053	456,825	479,852	491,823	534,797	567,257	514,369
Ont. ...	558,780	604,981	637,116	647,167	627,348	607,968	628,075	677,299	704,993	598,709
Man. ..	94,357	104,384	108,435	110,249	106,144	107,343	108,985	118,823	126,586	108,174
Sask. ..	109,713	122,304	127,529	128,754	129,298	126,002	129,447	135,095	155,177	130,710
Alta. ..	108,649	122,489	126,525	128,950	130,209	121,295	125,289	131,849	134,666	115,664
B.C. ..	125,714	138,191	149,481	157,060	162,655	165,281	168,950	173,097	181,821	157,572
Yukon and N.W.T.	585	772	721	499	459	462	427	470	438	93
Nfld. ..	..	..	..	..	..	..	..	..	..	4,549

AGRICULTURAL PRICES SUPPORT BOARD—POTATOES

Mr. Hatfield:

1. What quantity of potatoes was purchased by the agricultural prices support board in the province of New Brunswick in the season of 1948-49?

2. What quantity of these potatoes was afterwards released and for what purpose?

3. What was the value paid for these potatoes so purchased?

4. What quantity of these potatoes was authorized to be dumped?

5. What quantity of potatoes was purchased by the agricultural prices support board in the province of Prince Edward Island in the season of 1948-49?

6. What quantity of these potatoes was afterwards released and for what purpose?

7. What was the value paid for these potatoes so purchased?

8. What quantity of these potatoes was authorized to be dumped?

Mr. Gardiner:

1. 962,566 cwt.

2. 959,045 cwt. for growers use or disposal but not for sale. 3,521 cwt. resold to growers.

3. $1,106,951.30 gross, or $1,102,902.06 after deducting value of potatoes resold to growers.

4. Potatoes were not dumped but handled as indicated in answer to No. 2.

5. 481,395 cwt.

6. 469,369 cwt. for growers use or disposal but not for sale. 12,026 cwt. resold to growers.

7. $553,604.78 gross, or $539,773.88 after deducting value of potatoes resold to growers.

8. Potatoes were not dumped but handled as indicated in answer to No. 6.

STRAIT OF CANSO BRIDGE PROJECT

Mr. Isnor:

1. Have surveys been completed in respect to the strait of Canso bridge project?

2. Have plans and specifications been prepared in connection with the construction of the Canso bridge?

3. When will tenders be called?

4. What is the firm name and address of the engineers conducting surveys and drawing plans?

Mr. Chevrier:

1. No. Survey parties are still in the field. A contract let under tender to Foundation Maritime Limited on July 28, 1949, for boring to rock on the site of the proposed bridge piers, has just been completed. Marine cables at the bridge site have been moved to a new location.

Questions

2. No. Preparation of plans for the bridge piers are under way. Final design for these structures could not be completed until rock boring results were obtained.

3. Expected in 1950.

4. P. L. Pratley, D. Eng., M. Inst., C.E., consulting engineer, 909 Drummond building, St. Catherine street west, Montreal, P.Q.

TRADE WITH SPAIN

Mr. Gauthier (Portneuf):

What was the value, in Canadian dollars, of our imports from Spain and our exports to that country for the year 1948?

Mr. McIlraith: Imports from Spain, $2,586,163; exports to Spain, $618,188.

TOBACCO EXPORTS TO UNITED KINGDOM

Mr. Coyle:

1. What was the value of our tobacco exports to the United Kingdom during each of the years 1946, 1947 and 1948?

2. Has Canada a contract with the United Kingdom for tobacco this year? If so, what is the estimated value of it?

Mr. McIlraith:

1.

	1946	1947	1948
Description	$	$	$
Burley	407,573	386,862	266,626
Bright flue cured ...	4,044,024	10,796,088	5,975,876
Dark air fire cured	95,035	142,446	82,891
Cigar leaf .	—	63,598	—
Raw leaf n.o.p. ...	27,060	3,380	4,709
Cigars	—	63	70
Cigarettes ..	2,241	—	—
Manufactured n.o.p.	10	—	—
Total ..	$4,575,943	11,392,437	6,330,172

2. Canada does not have a contract with the United Kingdom for tobacco this year, nor, in fact, has she had a contract in the preceding years. This year, however, the United Kingdom has indicated that the quantity to be purchased will be somewhat larger than in 1948.

VETERANS AFFAIRS—VISITS TO GRAVES OVERSEAS

Mr. Hansell:

1. Has the government given any consideration to the granting of assistance to next of kin of deceased servicemen to enable them to visit graves overseas?

2. What action, if any, is being taken?

Mr. Gregg:

1. No formal consideration.

2. The department has information that certain veterans organizations have plans to organize, when shipping accommodation becomes available, a pilgrimage to Europe along lines somewhat similar to the Vimy pilgrimage organized in 1936 by the Canadian Legion.

UNRRA—SALE OF CANADIAN HORSES

Mr. Ross (Souris):

1. What was the number of horses sold from Canada under UNRRA during the year 1946?

2. On what basis were they sold?

3. If by contract, through whom and at what price per head, basis Montreal?

Mr. McIlraith:

1. Acting as purchasing agent of UNRRA the Canadian Commercial Corporation purchased from private sources in Canada 18,470 horses during the year 1946.

2. Answered by No. 3 below.

3. The horses were purchased under contracts with the firms in the numbers and at the average cost, basis Montreal, as follows:

Horse Co-operative Marketing Association, Swift Current, Sask.	1091	$110.27
Coulter Brothers, Toronto, Ont.	1173	$114.43
Alex. Picov, Pickering, Ont.	1590	$113.18
Bodnoff Horse Exchange, Montreal, P.Q.	7304	$114.48
Stewart Brothers Horse Exchange, Montreal, P.Q.	7312	$114.50

Average over-all cost per head, basis Montreal, $114.006.

VETERANS AFFAIRS—EMPLOYEES AND PATIENTS AT HEALTH AND OCCUPATIONAL CENTRES

Mr. MacInnis:

1. What is the number of employees and the classification of such employees employed in the following health and occupational centres: (a) Ridgewood, Saint John, New Brunswick; (b) Senneville, Montreal, Quebec; (c) Rideau, Ottawa, Ontario; (d) York, Toronto, Ontario; (e) Divadale, Toronto, Ontario; (f) Veterans Convalescent hospital, Calgary, Alberta; (g) George Derby health and occupational centre, Vancouver, British Columbia?

2. What is the maximum number of patients that can be accommodated at each of the health and occupational centres?

3. What was the total cost of maintaining such centres for the last year for which a record is available?

Mr. Gregg:

Return as at September 23, 1949:

1. See schedule "A".

2. Ridgewood health and occupational centre, Saint John, N.B., 100; Veterans health and occupational centre, Senneville, Que., 200; Rideau health and occupational centre, Ottawa, Ont., 175; York health and occupational centre, Toronto, Ont., 100; Divadale health and occupational centre, Toronto, Ont., 139; Veterans convalescent hospital, Calgary, Alta., 110; George Derby health and occupational centre, Vancouver, B.C., 200.

3. $1,332,173.90.

SCHEDULE "A"

DEPARTMENT OF VETERANS AFFAIRS

Number of Staff Employed in Health and Occupational Centres, by Classification

Classification	(a) Ridgewood, Saint John, N.B.	(b) Sennerville, Montreal, Que.	(c) Rideau, Ottawa, Ont.	(d) York, Toronto, Ont.	(e) Divadale, Toronto, Ont.	(f) Veterans Convalescent Hospital, Calgary, Alta.	(g) George Derby, Vancouver, B.C.
Medical officer, grade 6*							1
Medical officer, grade 5*				1			
Head clerk			1		1		
Principal clerk	1		1			1	2
Clerk, grade 4	1						1
Clerk, grade 3		1	3	1	2	1	1
Clerk, grade 2B			2	1	2		
Clerk, grade 2A	2	1				2	1
Clerk, grade 1			1				
Stenographer, grade 2B			1		2		
Stenographer, grade 2A	1	1	1		1		3
Typist, grade 2B	1						
Typist, grade 2A		1	2	1			2
Typist, grade 1		1					
Messenger	1	1	1				1
Storeman, grade 1	2	2	2	1	1	1	3
Packer and helper			1	1	1		1
Stationary engineer (heating or power), grade 2	1	1	1	1			1
Stationary engineer (heating or power), grade 1		4	7	3	1		4
Fireman	4	2	3		12		4
Maintenance craftsman, grade 2			3				3
Maintenance craftsman, grade 1			1				1
Hospital utility man, grade 3		3		2	4	1	
Hospital utility man, grade 2	3		3	1	1	1	1
Hospital utility man, grade 1							4
Gardener, grade 2	2	1					
Gardener, grade 1		2	3		2	2	
Cleaner and helper	9	10	21	14	16	8	20
Telephone operator, grade 2	2	1	3				1
Social worker, grade 2			1				
Technician, grade 2					1		
Assistant technician, grade 2							1
Physiotherapy technician, grade 2	1	1	2	2	1		1
Physiotherapy technician, grade 1					1	2	1
Occupational therapist, grade 2				2			1
Occupational therapist, grade 1		1			1		1
Remedial occupational supervisor	1						1
Remedial occupational assistant		1		1	1		2
Remedial physical training instructor, grade 2	1	1		1	1	1	1
Remedial physical training instructor, grade 1	1		2	1	1		2
Hospital matron, grade 1			1			1	
Hospital nurse, grade 3					1	1	
Hospital nurse, grade 2			9			4	
Hospital nurse, grade 1						2	
Hospital nursing orderly, grade 4			1			1	
Hospital nursing orderly, grade 3			1		1	1	2
Hospital nursing orderly, grade 2			7			2	2
Hospital nursing orderly, grade 1			3		3	4	1
Dietitian, grade 2					1	1	1
Dietitian, grade 1	1						
Hospital cook, grade 3	1	1	1			1	1
Hospital cook, grade 2	2	1	3	2	3	2	4
Hospital cook, grade 1	1	1		1	1		1
Housekeeper						1	
Housemaid					1	4	
Kitchen helper	1	2	5	2		6	2
Waitress	5	6	5	1	4		5
Repair woman			1			1	
Total	45	47	103	40	68	52	85

* Clinical services to the health and occupation centres are supplied by such general practitioners and specialists employed on a half-day fee basis or medical officers in the district medical officers' pool as may be delegated by the district director of medicine. The two medical officers shown in Schedule "A" are employed as medical superintendents of York and George Derby, respectively; the medical superintendent of the other Centres is the superintendent of the general treatment hospital of the department in the locality, or the departmental district medical officer.

BUTTER—LOSS ON IMPORTS FROM VARIOUS COUNTRIES

Mr. Stanfield:

How much was the loss to the Commodity Prices Stabilization Corporation on the 15,000,000 pounds of Denmark, Australian, and New Zealand butter that were brought into Canada last year by the Canadian Commercial Corporation?

Mr. Belzile: In so far as the wartime prices and trade board is concerned: Commodity Prices Stabilization Corporation Limited, $857,337.50.

*CATTLE—COMPENSATION FOR T.B. REACTORS

Mr. Cardiff:

1. Has the government taken any action towards raising the compensation paid to farmers for cattle condemned under the T.B. testing program?
2. If so, what action has been taken?
3. Has compensation been raised?

Mr. Gardiner: If I may answer this question orally, a bill containing the answer which would be given to this question is now on its way to the house. Could this question either be withdrawn or allowed to stand until the bill is before the house? The answer is in the bill itself.

Mr. Speaker: Stand.

QUESTIONS PASSED AS ORDERS FOR RETURNS

RADIO RECEIVING LICENCES—HOUSE TO HOUSE CANVASS IN ALBERTA

Mr. Shaw:

1. In 1948, how many individuals in Alberta were employed or authorized by the Department of Transport or any other department of government or any official thereof to engage in house to house canvassing in connection with the checking and/or sale of radio receiving set licences?
2. What were the names and addresses of all such persons?
3. What salaries, commissions, expenses and/or other payments were made to each canvasser?

Mr. Chevrier: Return tabled.

SHAUGHNESSY HOSPITAL—VANCOUVER—CORPS OF COMMISSIONAIRES

Mr. MacInnis:

1. How many of the corps of commissionaires are employed at the Shaughnessy hospital, Vancouver?
2. What is the monthly salary of each such employee?
3. When did the existing salary rate come into effect?

Mr. Bradley: Return tabled.

UNEMPLOYMENT INSURANCE

Mr. Beyerstein:

What trades or professions or other employment categories are considered to come within the Unemployment Insurance Act, and what are considered to be outside the act?

Mr. Cote (Verdun-La Salle): Return tabled.

HOUSING—BRITISH VETERANS

Mr. Thatcher:

What preference, if any, is given to British veterans who have married Canadian girls, in obtaining a wartime house under either the National Housing Act, the V.L.A., or the Central Mortgage and Housing Corporation?

LEGAL SERVICES—MACKAY & MCAVOY

Mr. Ferguson:

What amount of money, if any, has been paid to the law firm of MacKay & McAvoy, Owen Sound, Ontario, or to individual members of the firm; namely, F. G. MacKay, K.C., and R. K. McAvoy, since 1945 to the present; and for what purpose were their services retained?

LEGAL SERVICES—ALBERY & BENNETT

Mr. Ferguson:

What amount of money, if any, has been paid to the law firm of Albery & Bennett, Meaford, Ontario, or to individual members of the firm; namely, George G. Albery and Colin E. Bennett, since 1945 to the present, and for what purpose were their services retained?

LEGAL SERVICES—TELFORD & MARRON

Mr. Ferguson:

What amount of money, if any, has been paid to the law firm of Telford & Marron, Owen Sound, Ontario, or to individual members of the firm; namely, W. P. Telford and Arthur Marron, since 1945 to the present, and for what purpose were their services retained?

FEDERAL GOVERNMENT EMPLOYEES, 1948 AND 1949

Mr. Fraser:

1. How many men and women were employed in each department or agency of the government (i) in Ottawa; (ii) outside of Ottawa, on July 31, 1948, showing (a) number of men in each department or agency; (b) number of women in each department or agency; (c) number under civil service; (d) temporary basis?
2. How many men and women were employed in each department or agency of the government (i) in Ottawa; (ii) outside of Ottawa, on July 31, 1949, showing (a) number of men in each department or agency; (b) number of women in each department or agency; (c) number under civil service; (d) temporary basis?

ASSISTANCE TO GOLD MINES

Mr. Thatcher:

1. What is the total amount of money which has been paid to gold mines to date, under the Emergency Gold Mining Assistance Act?
2. What gold mines in Canada, if any, have received more than $100,000?
3. Of these, what amount of bonus has each mine received?

HOUSING—DEFENCE PERSONNEL, HAGERSVILLE, ONT.

Mr. Catherwood:

1. Will the Department of National Defence provide homes for the accommodation of some of the

personnel and their families at the military depot at Hagersville, Ontario?

2. If so, how many and of what type?

Mr. Blanchette: Return tabled.

VETERANS AFFAIRS—CIVIL SERVICE SUPERANNUATION

Mr. Brooks:

1. What is the number of overseas active service veterans of world war I not in the civil service prior to enlistment but who subsequently joined and being permanent are entitled to count their war service for superannuation purposes by contributing twice the normal amount with interest at 4 per cent?

2. How many of the above did not enter the civil service immediately following their war service?

3. How many under paragraph (1) of this question have availed themselves of the special privileges under the Civil Service Superannuation Act?

4. How many under paragraph (2) of this question have availed themselves of the special privileges under the Civil Service Superannuation Act?

MOTIONS FOR PAPERS

JACQUES DE BERNONVILLE AND MICHEL LUCIEN SEIGNEUR

Mr. Stewart (Winnipeg North):

For a copy of all orders in council, correspondence, telegrams and other documents in the possession of the government, concerning Jacques de Bernonville and Michel Lucien Seigneur.

Mr. Gibson (Hamilton West): At the last session of parliament a similar question was asked by the hon. member and an order for return was passed with reference to one of these men, Michel Lucien Seigneur. The return was tabled on April 29, and is quite voluminous. It should be understood that the documents to be tabled under this order would be a continuation of the documents already filed.

Mr. Speaker: Carried, subject to the statement of the minister.

DOMINION ELECTION, 1949—REGINA CITY—SERVICE PERSONNEL

Mr. Knowles:

For a return showing the names and home addresses of all service personnel who voted as electors of the constituency of the electoral district of Regina city in the general election of June 27, 1949, under the provisions of the defence service voting regulations.

Mr. Bradley: I should like to point out to the house that the names and home addresses of defence service electors whose votes were attributed to the electoral district of Regina City at the general election of June 27, pursuant to the provisions of the Canadian defence service voting regulations were recorded only on the back of the outer envelope as prescribed in the regulations. Paragraph 92 of the regulations provides that these outer envelopes are "election documents or election papers" which cannot be inspected except under a rule or order of a court of justice issued under section 59(2) and 88(2) of the Dominion Elections Act, 1938.

Mr. Knowles: May I be permitted to ask the Secretary of State one question? Can he say whether those names and addresses are in existence?

Mr. Bradley: I am unable to give any information as to what is in the possession of the chief electoral officer. I do not know.

Motion dropped.

NANTON, ALTA., POST OFFICE

Mr. Hansell:

For a copy of all letters, telegrams and other communications exchanged between the government or any officials thereof and any other person or persons during the past three years, respecting the building or alteration or remodelling or renting of suitable premises for the post office at Nanton, Alberta.

DOMINION ELECTIONS—1949—EXPENSES OF CANDIDATES

Mr. Knowles:

For a return showing the total amount of election expenses on behalf of every candidate in the general election of June 27, 1949, as indicated in the return respecting election expenses submitted by the official agent of each candidate, under the provisions of section 63 of the Dominion Elections Act, 1938.

AIR TRAFFIC AGREEMENT

CANADA-UNITED STATES—QUESTION AS TO EXTENSION—CORRESPONDENCE BETWEEN GOVERNMENTS

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): I should like to direct a question to the Minister of Transport. Press dispatches today indicate that Canada has granted to the United States an extension of thirty days to show good faith, as the report states, in connection with the bilateral air agreement. Can the minister make a statement, either today or tomorrow, with regard to this extension? At the same time will he table the notes which are indicated in the report as having passed between the two governments?

Hon. Lionel Chevrier (Minister of Transport): The hon. member telephoned notice of his question to my office about fifteen minutes ago, and I have not had time to go into it as fully as I should like to. I can, however, tell him this. The notes exchanged between the United States government and the Secretary of State for External Affairs I presume are privileged documents, and I would doubt whether the Secretary of State for External Affairs would wish to table them. That is, however, a matter for him to decide.

Inquiries of the Ministry

As to the agreement which has been signed between Canada and the United States covering air traffic rights, I can see no objection to its being tabled, and I shall ask my colleague the Secretary of State for External Affairs to have that done.

As to the extension of thirty days, to which my hon. friend referred, of certain air traffic rights which lines of the United States have at Gander, these rights have been extended following discussions with the United States authorities, who have assured us that they are doing everything they can to implement the agreement signed between Canada and the United States.

With regard to the air traffic agreement between the two countries and the rights derived thereunder, as well as the agreement signed between Canada and the United Kingdom, I propose to make a statement during the consideration of my estimates.

TRANS-CANADA AIR LINES

REMOVAL OF OPERATING HEADQUARTERS FROM WINNIPEG TO MONTREAL

On the orders of the day:

Right Hon. C. D. Howe (Minister of Trade and Commerce): The hon. member for Selkirk (Mr. Bryce) on two occasions has asked me to make a statement on the plan for transferring the headquarters group of T.C.A. from Winnipeg to Montreal. I wish to do so now.

The plans for the transfer of headquarters group of the operations department of Trans-Canada Air Lines from Winnipeg to Montreal will have been fully implemented by Monday, October 3. Office accommodation has been completed on schedule in the international aviation building, Dorchester street, Montreal, even to the installation of telephones, so that the move should involve little interruption to the work of the air line.

MINISTERIAL ANNOUNCEMENTS

QUESTION AS TO PROCEDURE WHEN PARLIAMENT IN SESSION

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): A few days ago the Minister of Finance (Mr. Abbott) intimated to the house some changes in the regulations with regard to the importation of fruit and vegetables. That seems to be the proper procedure when the house is sitting. I noticed this morning that a press release was issued yesterday by the Department of Trade and Commerce, announcing important changes in various tariff items, and in foreign exchange regulations affecting the steel industry. I am wondering why the announcement was made by a statement to the press, when the house is sitting, rather than to the house in the first instance so that members might have an opportunity of asking questions if they wished to do so.

Hon. Douglas Abbott (Minister of Finance): I made a statement in the house with regard to fruit and vegetables. That was done because it is a matter in which there is wide public interest. As to changes in connection with the emergency exchange regulations, I may say that I do not make a statement in the house if they are of a more or less routine character. I felt, however, that the matter of fruit and vegetables was one of general interest.

SUPPLY

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

INTERIM SUPPLY BILL

Mr. Abbott moved:

Resolved, that a sum not exceeding $114,516,603.83, being one-twelfth of the amount of each of the several items to be voted, except items 43, 419 and 452, as set forth in the main estimates for the fiscal year ending March 31, 1950, laid before the House of Commons at the present session of parliament; a sum not exceeding $2,613,651.00, being one-twelfth of the several items to be voted, as set out in the supplementary estimates (Newfoundland); a sum not exceeding $5,876,758.33, being one-twelfth of the several items to be voted as set out in the further supplementary estimates, and a sum not exceeding $468,750.00, being five-twelfths of item 907 to be voted as set out in the further supplementary estimates laid before the House of Commons at the present session of parliament, be granted to His Majesty on account for the fiscal year ending March 31, 1950.

He said: Before you put the resolution, Mr. Chairman, perhaps I might give just a word of explanation as to the interim supply which I am asking for.

The bill which will be founded on this resolution will ask for an additional one-twelfth of all the items contained in the main estimates, one-twelfth of all the items in what are referred to as the Newfoundland supplementaries, one-twelfth of all the items in the further supplementaries which I tabled the day before yesterday, and five-twelfths of one item, item 907 in those other supplementaries, which relates to the additional work of the Fraser valley diking board. I am informed that the work is proceeding rapidly and that the amount asked for will be required.

Members of the committee who were here in the last parliament will recall that six months' interim supply was voted before parliament was dissolved in the latter part of April. Consequently that supply will run out on September 30, which is tomorrow. The form of the bill which will be placed

before the house is exactly the same as the other supply bills which have been passed by the house from time to time. The passing of the bill will not result in the passing of the full amount of any item, and will not prejudice the rights and privileges of members to criticize and discuss items in the estimates which will come up for consideration from time to time during the remainder of the session. Of course I give the usual undertaking that such rights and privileges will be respected, and will not be curtailed or restricted in any way as a result of the passing of the proposed measure.

Mr. Fraser: In asking for only one-twelfth of the total amount, does the minister believe that all the estimates will be through by the end of next month?

Mr. Abbott: Hope springs eternal. If we do not get them through by then, I shall have to come back before the end of October.

Mr. Church: Mr. Chairman, the committee will be only conducting a post mortem on these expenditures, as we understand it. The time is coming when there should be some reduction. I speak on behalf of the businessmen of the country. The government made that promise in the last election campaign. I fail to see why the House of Commons is sanctioning this interim supply for a period which will extend practically to the end of October, with the House of Commons simply holding a post mortem on these expenditures. I think we are going too far. What is the House of Commons for if not to check up on expenditures? It was on that principle, taxation without representation, that the American colonies seceded from the mother country. Yet here we are, a long time afterwards, adopting the same principle. I wish to protest against it, as I have done on other occasions.

Mr. Fleming: May I ask the Minister of Finance what is the total amount that is being voted?

Mr. Abbott: Yes, Mr. Chairman. The amount is set forth in the resolution which the chairman will read in a moment. It is $114,516,603.83, plus $2,613,651, plus $5,876,758.33, plus $468,750.

Mr. Knowles: What does that add up to?

Mr. Abbott: The total of the item asked for by the hon. member for Eglinton is $123,475,763.16.

Mr. Graydon: Included in the figure which is being asked for by the Minister of Finance are several items coming under the jurisdiction of the Secretary of State. Because the patent office of Canada comes under that department I want to raise a question which I could not very well raise on the orders of the day. I shall be brief, because the minister is new to the house.

First of all I wish to welcome the hon. gentleman—it is the first opportunity I have had to do so—and to wish him well in the work which lies ahead. At the same time I want to give him a word of caution. The question of the great arrears of work in the patent office is one of which he had better be made aware at the very first opportunity, and I think this is that opportunity.

As the Chairman knows, by a recommendation of a committee of this house the patent fees were raised from $15 to $25 on the original application and a similar amount when the patent is issued. That increase was decided on largely because the committee recommended that these patents be printed. I am told that for some considerable time the printing has been paid for with these additional fees, but the work is still far behind. In addition, the quarters, while more nearly adequate than they were before, still fall short of meeting the need which is evident all along the line.

Some few years ago it was said that there were some 30,000 patents still to be dealt with. I am informed that the patents are running somewhat behind, even in respect to current applications. The commissioner and his staff, inadequate as it is, are unable to handle the backlog because they cannot keep up with the current applications.

For the benefit of new members it ought to be said that the patent office is an open house for the public. In addition it has significance far beyond our domestic scene, because of international implications. From Canada's point of view it is not good business to have the patent office, which has international significance, so far behind in its work. As the minister will understand, I am not raising this question to criticize him or to criticize those who have been in charge of the patent office. I am merely indicating a concentrated drive ought to be made by the minister, backed by the government, to see to it that we get in line with the British patent office and with the United States patent office. Since the war quite a length of time has elapsed, and this country cannot afford to have anything but a good reputation when it is dealing with a matter of this kind.

The patent office of course has definitely a link with business generally in the country. I am quite sure that business will expect that a government department will at least keep abreast of the times. I am throwing this out only as a suggestion; perhaps it will not bear close scrutiny. In any event, in the United States and in Britain one finds the patent office under the jurisdiction of the department of commerce. It is closely related

to trade and commerce. In the United Kingdom I understand it is under the board of trade, because of the fact that it is related to business and commerce. When I say this I am not reflecting upon the minister. Perhaps the government might give consideration to relating patent work with the department with which it is most closely allied, and following the precedent which has been established in those other two countries.

I have not given the matter much consideration; perhaps there are good reasons why the patent office should not come under the Department of Trade and Commerce. In any event my main reason for raising the question now is to impress upon the new minister and upon the government the necessity of seeing to it that a concentrated drive is made to bring the patent office up to date and to provide the facilities and the staff which are so urgently needed to do the job.

Mr. Coldwell: On the orders of the day I asked a question about announcements of policy by press releases when parliament is sitting. The answer given by the Minister of Finance was quite satisfactory as far as it went. I think that matters of small import to a community can be dealt with in that way. The reason I ask the question is that a press statement issued yesterday involved an important government decision and was of wide public interest. There may be a good reason why, in order to conserve foreign exchange, the policy announced in the press release should be approved. Hon. members might be interested in the list of the materials involved. They comprise pig iron, ingots, blooms, billets, bars, rods, plates, sheets and forgings. All these items will now be imported under permit to be issued under the foreign exchange regulations. In regard to an important group of items such as this it would be well to have the announcement made in the house in order that hon. members might have an opportunity of knowing what was being done in such an important matter. Sometimes press releases are tucked away in the corner of a newspaper and we do not see them. That was my reason for asking the question. I was making the suggestion that when an announcement touching very important imports of this description is made, at a time when the house is sitting, perhaps it would be well to have it made in the house rather than to have it made public by way of a press release.

Mr. Howe: Mr. Chairman, I admit at once that the issuance of that statement was an error. It was a steel controller order made under wartime legislation, and it came to me for approval. It was not effective until October 1, and I fully intended to make the announcement in the house. I was as much surprised as the hon. member to read it in the press. However, since the mistake had been made, I saw no purpose in making the announcement in the house.

Mr. Fraser: Did the Minister of Finance indicate what proportion of the further supplementary estimates is included in the sum for which he is asking today?

Mr. Abbott: I am asking today for one-twelfth of the new supplementary estimates, along with the other items to which I referred.

Mr. Herridge: Mr. Chairman, as there are funds in this resolution which come under the jurisdiction of the Minister of Veterans Affairs, I should like to draw his attention to a question I raised in the house on September 20, when I asked him about the plight of certain imperial pensioners in Canada brought about by the devaluation of the pound.

At that time the minister did not know that the British government was giving consideration to the matter. Since then it has become obvious, through letters received by a number of members, and from comments in the press, that a large number of Canadian citizens are affected by the devaluation of the pound, and many people are taking an interest in it. Not only are those who are affected showing an interest, but it is obvious from press comments that a large number of their fellow Canadians are aware of the difficult circumstances faced by some people who have to exist in Canada today on imperial pensions.

Two general proposals have been made, the first being that the government should bring the plight of these people to the attention of the British government, explaining particularly the present circumstances, and the second, suggested by some veterans organizations, that the Canadian government should subsidize these imperial pensioners.

I am not going to discuss the soundness of this proposal, but I urge upon the minister that action be taken by the government at the earliest possible moment to bring to the attention of the British government the plight of certain imperial pensioners in Canada brought about by the recent devaluation of the pound.

Mr. Green: Mr. Chairman, will the government move at this session to set up a special committee of the house on atomic energy? This suggestion has been made in different sessions, and I would point out to the ministry, particularly to the Minister of Trade and Commerce, that the subject is now of even greater importance than it was in earlier years.

Only this morning we read in the press that yesterday in the United States the atomic

energy commission held a joint meeting with a committee of congress. The announcement from that meeting was made by the chairman of the committee of congress. The same United States congressional committee sent two representatives to Canada only a few weeks ago to inspect our plant at Chalk River.

It seems to me perfectly clear that the house should set up a committee on atomic energy. This request has been supported in other years, not only by members of the official opposition but also by the leaders of the C.C.F. and Social Credit parties. I am sure they will support my suggestion today. This is now one of the most important questions to be faced by our nation and by the House of Commons. I would urge that the government move to set up such a special committee without further delay.

Mr. Coldwell: May I confirm what has been said by the hon. member for Vancouver-Quadra, namely, that we have supported this suggestion in the past, and that we are happy to do so again today. This matter is one with which the House of Commons should be concerned. I do not suggest, of course, that any highly secret information should be imparted to such a committee, but I believe the house and country should know what Canada is doing in connection with the development and use of atomic energy.

In supporting a similar suggestion in past years I made the comment that this great scientific discovery could not be kept secret for any considerable length of time. The other afternoon the Prime Minister made the announcement that it was believed that the Soviet union had unlocked the secret of the atomic bomb. That had been anticipated by scientists, I believe, ever since the first bomb was dropped on Hiroshima in 1945.

In view of the necessity of having public opinion behind the government in its desire, as stated on more than one occasion before the United Nations, to bring atomic energy in all its phases under international control, I believe the time has now come when a committee should be established in order that parliament may be well informed and, in turn, in order that the people may have that information. Consequently I join with the hon. member in suggesting to the government that, in spite of all that has happened in the past, in view of the circumstances now surrounding this important discovery, and the dangers to the world flowing from it, if improperly used—and, on the other hand, the great benefits that might accrue to mankind if it is used properly and for the benefit of the human race—this house should know more about what Canada is doing, and the extent to which we are co-operating and have been permitted to co-operate with the United States, if I may put it that way. With reservations respecting highly secret matters, information should be given the house and the country on this important matter. In our opinion a committee on atomic matters should be set up by this house.

Mr. Low: Mr. Chairman, I should like to indicate my support of the request by the hon. member for Vancouver-Quadra that a committee on atomic energy be set up at the earliest possible time. May I ask that the government give this matter its most earnest consideration at an early day.

Mr. Gibson (Comox-Alberni): I should like to support the suggestion just offered by the hon. member for Vancouver-Quadra. I am sure hon. members could be most useful to the Minister of Trade and Commerce in connection with this matter of atomic energy. The entire administration of our share of what is being done in the matter of atomic energy is a heavy responsibility for one man to carry. I feel sure that hon. members could be helpful to him, particularly in the matter of exploration for atomic minerals.

The government has established a price of $2.75 a pound for uranium oxide. It would be interesting to know if that price is sufficiently high, and to know the quantities being exported. I suggest that if the minister can see his way clear he permit the setting up of this committee, because I believe it would be most helpful to him.

Mr. Howe: Perhaps I can shorten the debate. At the last session of the last parliament I stated that the government would have no objection to a committee on atomic energy. The government is still of the same opinion, and will be glad to co-operate with other parties in the house in the setting up of a committee at the proper time during this session.

Mr. Fleming: I appreciate what the minister has just said. I hope this matter will be followed up and a committee set up at an early date.

I should like to broaden this discussion by urging upon the Prime Minister and the government the necessity for recasting the committee machinery of this house. The rules provide for about fifteen standing committees, which presumably will be appointed next week. Some of those committees will not meet for the duration of this session, while others will. The fact is that some committees have not met for years.

There are great areas of the public business that do not fall within the scope of any of the present standing committees. One has been mentioned this afternoon, this new sub-

ject of atomic energy. There is another field that is completely omitted from the scope of the present standing committees, something of which I have spoken before. I refer to the whole subject of social security, welfare, health and housing, which I think should be embraced within the scope of a committee. When the government is giving consideration to amending or revising the present committee structure I hope we shall not be satisfied with a mere partial job. I submit that the time has come when someone must take the responsibility for going over the whole committee structure and recasting and modernizing it. If necessary, certain committees might be eliminated, because we do not wish to have too many. The duties of certain committees might be enlarged, but there should be committees to cover those fields of public business which are not covered at the present time. I urge again most strongly that provision be made in our committee structure for a committee on social security, welfare, health and housing.

Mr. Hansell: Before we vote these several million dollars I should like to ask the minister a question. I had placed a question on the order paper which was answered today by the Minister of National Revenue, although only in part. My question was:

> Are ambulance services considered to be part of medical expenses for the purposes of income tax and, if not, in what way does the government consider them not to be?

The answer given by the minister was as follows:

> Amounts paid for ambulance services are not included in the medical expenses set forth in subsection (b) of section 26 of the Income Tax Act.

The last part of my question, which was not answered, reads as follows:

> If not, in what way does the government consider them not to be?

The fact that that last part of the question was not answered would imply that the government have no answer to it. I do not believe they have. If a man becomes ill and has to call for an ambulance, that is certainly part of his medical expenses. The particular case that was drawn to my attention was that of a man who had to call an ambulance to take him two hundred miles. The expense was considerable, yet he could not include that as part of his medical expenses in making out his income tax return.

I appreciate the fact that there is a difference between the duties of the Minister of Finance and those of the Minister of National Revenue. The one imposes the taxes; the other collects them. The Minister of Finance hits the taxpayer on the head; the Minister of National Revenue drags him out. Some of our citizens have to be dragged out anyway. I am going to ask the minister if he would care to express himself on this matter. He is asking for a lot of money which will have to come out of the taxpayer's pocket. I am quite sure we are willing to vote it, but it seems to me that consideration should be given to this particular phase of the Income Tax Act.

Mr. Abbott: I shall be glad to bring my hon. friend's question to the attention of the Minister of National Revenue. The position is that the act specifies—I have not the act before me—that medical expenses are deductible for income tax purposes. What constitutes medical expenses is a question for the Minister of National Revenue or his officials to determine. If the taxpayer is not satisfied, he can go to the courts for relief. I think that is as far as I can go in answering my hon. friend's question.

Mr. Fraser: If the doctor included the charge for the ambulance in his bill, that could be deducted, could it not?

Mr. Abbott: I am not the Minister of National Revenue; nor do I want to give free legal advice.

Mr. Fraser: I understand that where a physician administers insulin or penicillin and includes the costs of the drugs in his bill, that expense can be deducted.

Mr. Abbott: For what it may be worth, my understanding is that if the cost of the medicines is included in the doctor's bill, they can be deducted, and if a hospital charged for the ambulance in its bill, it could be deducted. However, I do not think that that should be taken as a firm ruling. It is a matter for the administrative branch of the department to determine. If the taxpayer is dissatisfied, a remedy is provided in the act by way of appeal.

Mr. Fraser: The trouble with the act is that there are different taxing officers across the country. A man in one section will give one ruling, and a man in another will give an entirely different ruling.

While I am on my feet I should like to bring something to the attention of the Minister of Reconstruction and Supply, who unfortunately is not in the house. There are thousands of people across Canada who are either renting or buying houses from Central Mortgage and Housing Corporation. These people are greatly inconvenienced by the fact that the offices of Central Mortgage and Housing Corporation are closed all day Saturday, although they are open from nine to five o'clock on week days. Many of the men who are renting or buying houses are working

from early morning until five or after five o'clock at night, and the only time they could go to the office would be at noon hour, at which time the officers of Central Mortgage and Housing Corporation are home eating their own lunches. I suggest that their offices be kept open on Saturday morning, or at least every other Saturday, so that the man of the house can go there to transact his business instead of his wife having to do it. I have had many letters about this from my own riding and other parts of Canada. It is something that should be seriously considered.

Mr. Shaw: There is a matter of extreme urgency which I think it is my duty to place before the government. I refer to the charges being made for medical services and hospitalization provided for the Indians in the Rocky Mountain House section of Alberta. I say this is a matter of urgency, because tomorrow is the deadline so far as the medical men and the hospital authorities of Rocky Mountain House are concerned. Since 1948 the medical and hospital authorities at Rocky Mountain House in Alberta have been at loggerheads with the Indian affairs branch in connection with medical and hospital services for Indians. In the past it has been the policy of the medical men of the town of Rocky Mountain House to charge the minimum amounts set by the Royal College of Physicians and Surgeons in connection with the various cases coming to their attention. Often the medical men have treated and hospitalized these Indians while having to postpone treatment of many of their regular patients because of lack of time and lack of hospital space.

These doctors have been submitting their bills to the Indian affairs branch at the minimum rates, and in almost every case those bills have been arbitrarily cut down by twenty to fifty per cent before being paid. The doctors urge that one of two things be done: either that they be paid a flat rate of $100 a month for treating the Indians—which incidentally was the amount recommended by the Alberta representative of the department—or that they work on the basis of the minimum rates established by the Royal College of Physicians and Surgeons.

Ten months have elapsed since they began negotiations with the department. So far nothing has been done to reach any sort of agreement. Now the doctors have served notice that as and from tomorrow they will refuse to attend the Indians at less than the regular rates charged all other patients. This has become a very serious matter. Health conditions among the Indians in that area have not been good. The net result of what will happen after tomorrow, unless the department takes much-needed action, will be that the Indians will not receive this most essential service. The result will be deterioration not only of their own health, but also of the health of the white persons among whom these Indians move.

I know the Minister of Mines and Resources is not here today, but I urge that some other member of the government bring this matter to his attention. There is great urgency. Something must be done by tomorrow.

Mr. Knowles: I should like to say a few words to the Minister of Finance about an item in his own estimates, namely that relating to the wartime prices and trade board. The minister may say this is a matter we can discuss more fully when we reach that item, but that may not be for some weeks yet; and the March 31, 1950, deadline is also drawing near. It seems to me, therefore, that a few facts should be drawn to the attention of the minister at this time.

As he knows, the step he was forced to take a few days ago in devaluing the Canadian dollar could result in upward pressure being exerted on the cost of living in this country. In fact many people feel that this is happening already, that the pressure to increase the cost of living is greater than the pressure coming from the devaluation of the pound which might have served to bring down that cost.

This whole question of the high cost of living was highlighted a few days ago by a publication prepared by the welfare council of greater Toronto, entitled "A guide to family spending in Toronto, Canada, 1949." Hon. members probably saw in the *Globe and Mail* of Monday, September 26, a good summary of the findings contained in that report, but I would recommend that in addition they write the welfare council of greater Toronto and send fifty cents for a copy of the report, in which an excellent job has been done. The report makes it clear that, for ordinary decent living at today's prices, in the city of Toronto a family of five must have $50 a week.

I have some other figures as well. I am referring now to the *Labour Gazette* for July, 1949, in which I find on page 920 a table showing the hours and earnings by industries in Canada up to as late as April of this year. According to this table the average weekly wage in the manufacturing industries reporting to the dominion bureau of statistics was only $42.08 in April of this year. That table includes some industries in which the workers would earn more than this average, but it also includes figures such as these: $30.86 a week for those working in leather products; $29.41 a week for those engaged in making garments and personal furnishings. Then as I go away

down I find that the average weekly wage in highway construction was $33.92, while the average for those working in hotels and restaurants was $26.99. In this long column some are higher than the average of $42.08, but, as I have indicated, there are a great many away below that figure.

I think we in this House of Commons, who are fairly well fed—and who were given some very good apples today—must face the fact that it is exceedingly difficult for a great many Canadians to make both ends meet. If we put these figures side by side, those of the welfare council of greater Toronto showing that at today's prices a family of five must have $50 a week, and those of the *Labour Gazette* showing that there are thousands of people earning only $30, $35 and $40 a week, we can see that this is a very real problem.

I bring this matter to the attention of the minister now, because we all know what government policy as to price control has been since the end of the war. We know where the legislation stands in regard to the wartime prices and trade board; unless something is brought in the whole set-up will vanish on March 31, 1950. For my part I should like to point out to the minister that he should start right now to do something to prevent the cost of living from going higher—indeed, to try to bring it down; but I know his view, and I know how long I would have to argue with him on that point. But I am going to appeal to him—and I hope he will consider this favourably—to have the administration of the wartime prices and trade board examined to see if he has a set-up there, with sufficient staff, which could do something about this job if even in his view —as it is in my view right now—it should become a problem demanding attention.

A moment ago I made reference to the devaluation of the dollar, and in that reference I admitted that it was a step the minister was forced to take. There are conditions in the world today that can have the effect of still further increasing the cost of living in this country; and bearing in mind what we have so often said from this corner of the house as to the excellent job in the field of price control done by the government during the war, it seems to me just as important to try to help the people of this country make both ends meet in time of peace. By the time we reach the appropriate item in the estimates, nothing may be left of the wartime prices and trade board. Certainly unless the government makes up its mind to do something about it before March 31, 1950, that organization will disappear. I urge upon the government, therefore, the importance of this whole question of keeping down the cost of living, and I point out that it is something for which the government is responsible to the Canadian people.

Mr. Noseworthy: I should like to take advantage of this opportunity, Mr. Chairman, to direct the attention of the house, and particularly the Minister of Veterans Affairs, to a matter I referred to in a speech delivered on the address in reply to the speech from the throne. It is recorded in *Hansard* of September 21, page 141. In it there is a reference to what I consider to be one of these silly regulations affecting veterans who are attending our universities.

Last year, at the university of Toronto, eighty-three of these young veterans took second class honours in their final year. Of the eighty-three there were fifteen whose credits expired while they were writing the examinations after they had finished their academic year. Because of that regulation, those fifteen were deprived of the advantage of another year at the university on funds provided by the department. I suggest, as I did on a previous occasion, that the men who framed those regulations, as well as the minister, are just as anxious as I am to see that each of these veterans has an opportunity to complete his education.

As the minister knows, these boys left high school with their education half completed. Some of them left the university and gave to this country the best educational years of their lives. After years away from school they have returned to us to begin where they left off. It is unfair that, because of a regulation which must be applied mechanically, deserving young veterans who have shown that they have the ability and the desire to continue their education should be deprived of it. I suggest to the minister that that regulation be modified to this extent: that the student's academic year end not when he writes his last examination, but when he writes his first. I would urge upon the minister that he take this into consideration.

There is one other change I believe should be made. There should be a small committee —including the minister, if you like, and the senior officers who have charge of education in his department, and possibly someone from the university—charged with the responsibility of reviewing specific cases in which ability has been shown but the student is deprived of assistance because of this regulation. I suggest, Mr. Chairman, that these regulations may be applied hard and fast in the mechanical field, but where human beings are concerned there should be some sort of committee or referee with discretionary powers.

I shall cite one example. A year ago a student graduated in the arts course in the

university of Toronto with an aggregate of approximately 800 marks on his final examinations. He was only two marks short of second-class honours. Because he was two marks short in an aggregate of 800, that student was deprived of any assistance during his post-graduate year at the college of education. He finally left college over $1,000 in debt because he had failed to secure another two marks. I marked examination papers for the department of education of Ontario for nearly twenty years. During his career I am sure the minister has marked enough examination papers to know that when you try to ascertain the difference in ability between a student who has 64 marks and one who has 66 marks, it is rather difficult. The marks received are largely determined by the attitude of the examiner at the time he marks the papers.

In cases of this kind I feel that these boys should be entitled to an appeal to some small committee with discretionary power to deal with the matter. I know the argument that will be raised against making any change in the regulations at this time. It is that some of those students who graduated during the past two or three years may want to take advantage of any change. I doubt whether many of them will. Most of those boys have secured jobs and are not likely to want to go back to the university. But suppose they do; suppose, as a result of this change, fifteen or twenty-five young veterans decide to return to university for post-graduate work. I would say, Mr. Chairman, and I am sure the minister is in agreement with me, that is in the best interests of this country. I am quite sure such a change would not be opposed on that ground. I realize that the minister cannot reply now, but I would ask him to give the matter his serious consideration.

Resolution reported, read the second time and concurred in.

WAYS AND MEANS

INTERIM SUPPLY

Hon. Douglas Abbott (Minister of Finance) moved that the house go into committee of ways and means.

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

Mr. Abbott moved:

Resolved, that towards making good the supply granted to His Majesty on account of certain expenses of the public service of the fiscal year ending 31st March, 1950, the following sums be granted out of the consolidated revenue fund of Canada, namely:

1. The sum of $114,516,603.83, being one-twelfth of the amount of each of the items, except items 43, 419, and 452, as set forth in the main estimates for the fiscal year ending March 31, 1950;

2. The sum of $2,613,651.00, being one-twelfth of the amount of each of the items as set forth in the supplementary estimates (Newfoundland) for the fiscal year ending March 31, 1950;

3. The sum of $5,876,758.33, being one-twelfth of the amount of each of the items as set forth in the further supplementary estimates for the fiscal year ending March 31, 1950; and

4. The sum of $468,750.00, being five-twelfths of item 907 of the further supplementary estimates for the fiscal year ending March 31, 1950.

Resolutions reported, read the second time and concurred in. Mr. Abbott thereupon moved for leave to introduce Bill No. 11 for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1950.

Motion agreed to and bill read the first time.

Mr. Abbott moved the second reading of the bill.

Mr. Gordon Graydon (Peel): Before the bill is read the second time, I desire to protect the position of all members of the house with respect to asking questions on the general estimates and of full discussion when the estimates, upon which this fraction is founded, are before the house again. It is the usual undertaking that is given by the government, that we pass this bill without prejudice to the rights we may have.

Mr. Abbott: I gave that undertaking at the outset of this discussion.

Mr. Graydon: Not on the second reading.

Mr. Fraser: We want to make sure.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Dion in the chair.

Mr. Graydon: I know there are certain distinctions between this bill and previous ones that have been passed, having regard to the amounts. Perhaps some of the subject is well covered, but may I ask the minister if there is any difference between the general framework of this bill and the usual interim supply bills that have been passed previously.

Mr. Abbott: No. Except for the amounts, the bill is identical in terms with the other four appropriation bills that have been passed.

Bill reported, read the third time and passed.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the house that I have received the following communication:

Ottawa, September 29, 1949

Sir:

I have the honour to inform you that the Right Hon. Thibaudeau Rinfret, Chief Justice of Canada, acting as Deputy of His Excellency the Governor

General, will proceed to the Senate chamber on Thursday, the 29th September, at six o'clock p.m., for the purpose of giving the royal assent to certain bills.

I have the honour to be,
sir,
Your obedient servant,
J. F. Delaute,
Assistant Secretary to the Governor General.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Wednesday, September 28, consideration of the motion of Mr. Maurice Boisvert for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. Jean François Pouliot (Temiscouata): It is my pleasure, Mr. Speaker, to congratulate you upon your elevation to the chair. You were fully qualified for that high office because of your legal training, legal experience, and the fairness that you have shown in this house while you were the deputy speaker, and have shown since you have become the first commoner. I was particularly pleased to listen to you when you spoke in French. I note that you are a bilingual Speaker, a fact which is a great credit to you. I am sure that all members will appreciate your fairness and will feel that when you are in the chair they are safe in saying anything. within the rules.

It is also my great pleasure to congratulate the mover and the seconder of the address in reply. I have known the mover of the address for a long time. He is one of the brilliant members of the Quebec bar and has attained pre-eminence before the courts. He acquitted himself well. The seconder also spoke ably, and both of them deserve congratulations. As one of the senior members of this house, I am pleased to see all the good faces of the members who have been returned again and of those who have been elected here for the first time. The House of Commons is a gentlemen's club, and the new members should realize that the senior members will miss no opportunity to help them, whenever the occasion arises, so that they will fulfil their duties in the most pleasant atmosphere.

The last election was well run and it was very successful. If the Liberal party achieved such success, it is due in the first place to the personal campaign of the Prime Minister (Mr. St. Laurent), who crossed the country from Newfoundland to Victoria, addressing countless audiences, mixing with the people and shaking hands with countless friends. He did wonderfully well. I was not accustomed to that, but I remember that on one occasion, a year before his death, Mr. Lapointe had to conduct a campaign personally. It was in the winter and he had to go across the country to preach the Liberal gospel. He did that successfully, but as a rule the people of Canada did not have the advantage of meeting the Prime Minister and the leader of the Liberal party personally. They had that privilege this year. What is to be admired in the Prime Minister is that he spoke the same language from coast to coast. Not only that, but he spoke without fear or favour. He spoke as a good Canadian. His language before English-speaking audiences was exactly the same as what he used in the province of Quebec: one language, one policy. The same things were said before audiences who spoke various languages. He was accompanied by his gracious wife, who also took pleasure in visiting all the constituencies of this country. The success of the election was to a large extent their personal reward. They took lots of trouble in campaigning all over the country and they were rewarded with the confidence of the people, who voted for the government after having heard the Prime Minister and after having met him and his wife.

In the elections previous to the last the general tenor of the speeches delivered by the Liberal speakers was that the other parties were worse than the Liberal party. This time the language used by Liberal speakers on the platform was entirely different. They did not say that other parties were worse than the Liberal party. They said that the Liberal party was better than opposition parties, and that it was the only party that could restore order in this country and bring welfare and prosperity from coast to coast—a great difference. It was of great importance and a great satisfaction to the Liberals who were denouncing only occasionally the Tories and the policies of the socialists and the Social Credit party. We told them what was going to be done for Canada by the Liberal party, for the welfare of Canada, for the future of our children, and the people liked it. They liked it so much that a tremendous number of people, who formerly were inclined to vote Conservative, socialist or Social Credit, decided to vote for the Liberal government headed by the present Prime Minister. They had real satisfaction when they voted. They knew that they were voting for a party that would fulfil its promises to them. If one travels anywhere in this country and says that he is a Liberal member of parliament he will be sure to have a good reception. That is why, sir, nobody should worry about the result of the eight by-elections which will take place next month. It is evident that the hurricane which has blown from Newfoundland to British Columbia inclusive will still carry the seats in the by-elections.

I have read the speech from the throne very carefully. There are many things in it, and most of them good. For instance, it is said that appeals to the privy council will be abolished—a very good thing. There are many other matters that I will not enumerate for the moment, but there is one of importance to which I draw the kind attention of the government and of all my fellow members. It is the amendment of the constitution. How can the parliament of Canada amend an imperial statute? Is it possible for the British parliament to delegate its power and authority to any other legislature in the commonwealth to amend its own statutes? I do not see how it could be done. Can we imagine that this parliament may amend any statute of the imperial parliament? It could not be done unless we made the statute of the imperial parliament, the British North America Act, our own by adopting exactly the same statute. If we did that, we might be able to amend the British North America Act after it had become an act of the parliament of Canada. But that would be very dangerous, and it would not work, because, when moving the second reading of the British North America Act in the House of Lords in 1867, Lord Carnarvon said:

> To those resolutions—

He was referring to the Quebec resolutions.

> —all the British provinces in North America, were, as I have said, consenting parties and the measure founded upon them must be accepted as a treaty of union.

That was the language of Lord Carnarvon, who was then Secretary of State for the Colonies in the British government.

He spoke also of the appointment of a governor general. The present incumbent is one of the great men of the world, and so long as he occupies his office with dignity that is outstanding I do not see how we can make a suggestion for the appointment of anyone else. We should wait until his term of office is about to expire before we suggest the appointment of anyone else. However, that is not in the speech from the throne. All I have to say for the time being is that we are privileged to have as our governor general a man such as Lord Alexander, who is not only a distinguished soldier but also a great man.

I hold in my hand the text of the speech delivered at Westminster by Lord Carnarvon, where he went on to say:

> Whilst the provisions regulating the constitution of the central parliament are in the nature of permanent enactments, those which govern the local legislatures will be subject to amendment by those bodies.

This deals with the question of amending the constitution. The provinces have the right to amend their own constitutions, and Ottawa has not. That is quite strange. On the other hand, the legislation passed by the legislatures can be disallowed by this parliament, and the enactment of this parliament can be disallowed by the British government. That, too, is strange. How can we call Canada a sovereign nation so long as our laws are disallowed or may be disallowed by the British government? When His Majesty came here in 1939, and in the Senate chamber sanctioned some legislation, even those acts His Majesty had personally sanctioned were subject to disallowance by the British government within a period of two years.

So long as those provisions remain in the British North America Act can we call ourselves a free and sovereign nation? That cannot be. Let me read further from the words of Lord Carnarvon:

> My lords, I now pass to that which is perhaps the most delicate and the most important part of this measure—the distribution of powers between the central parliament and the local authorities. In this is, I think, comprised the main theory and constitution of federal government; on this depends the practical working of the new system. And here we navigate a sea of difficulties. There are rocks on the right hand and on the left. If, on the one hand, the central government be too strong, then there is risk that it may absorb some of that local action, and that wholesome self-government by the provincial bodies, which it is a matter both of good faith and political expediency to maintain; if on the other hand, the central government is not strong enough, then arises a conflict of state rights and pretensions, cohesion is destroyed, and the effective vigour of the central authority is encroached upon. The real object which we have in view is to give the central government those high functions and almost sovereign powers by which general principles and uniformity of legislation may be secured in those questions that are of common import to all the provinces; and, at the same time, to retain for each province so ample a measure of municipal liberty and self-government as will allow and indeed compel them to exercise those local powers which they can exercise with great advantage to the community.

Then he goes on to say:

> As I have said, it is proposed that the provinces shall surrender to the central parliament all powers of raising revenue, except by direct taxation. In return for this concession the central government will remit to the local legislatures certain fixed sums and proportionate capitation payments, in order to enable them more conveniently to defray the costs of local administration.

This happened at the time of confederation, and the amounts are mentioned in the British North America Act. Lord Carnarvon continues:

> A legislative union is, under existing circumstances, impracticable.

I would suggest that my fellow colleagues read this speech by the then secretary for the colonies. I am sure they would find it illuminating, because it expresses the law-

makers' intent with respect to our constitution.

To summarize, it would be most delicate and dangerous to amend the constitution at the present time, because it was precisely drafted in such a way that it could not be amended. This is the source of the difficulties encountered by those who have thought of amending the constitution and who have not yet found a way to do it. We shall not ignore the fact that the imperial parliament and the Canadian parliament are two different bodies; and at the present time, owing to the fact that the constitution of Canada is an act of the imperial parliament, we have to go to them for any amendment requested by this country.

I should be greatly surprised if the British parliament surrendered to Canada the right to amend imperial legislation. It could be done in only one way, namely if the amendment were first granted by the British parliament. One or two amendments could be made at a time, the amendment having been passed first by the British parliament and then our having been given permission to repeat a similar procedure. We would on the second occasion do that which would have been done in the first place by the British parliament. If the British parliament did not first make the amendment, then I do not see how we could make it.

Therefore this presents a most difficult problem. It is not difficult from the legislative point of view but, as Lord Carnarvon has said, this constitution is a sort of treaty of union. This means that the consent of all interested parties should be called for; and I do not see how under such conditions anyone would surrender any right and give a blank cheque.

I urge the government to be careful in amending the constitution. Many people have referred to this as being an indication of progress, and it may be or not. I shall never say that the constitution does not need to be amended as there is much deadwood in the British North America Act after 82 years, but the manner of dealing with the respective jurisdictions should be thought over for a long time in order that the best possible results may be obtained. That is why it is not without a certain amount of concern that I have noticed that a change may be made in the respective and exclusive jurisdictions now provided by the British North America Act.

I do not say that it cannot be done, but it should be done with the utmost care in order to respect the rights of all those who were parties to the first "treaty of union", which is Lord Carnarvon's expression. I am not an imperialist, far from it, nor am I an isolationist; I am a Canadian. I think that all those who have been born in this country and all those who have made Canada their true country of adoption should think of the future and should put sentiment aside in order to find the best way to govern this country.

There is some colonialism still prevailing in some parts of this country. What is colonialism? An hon. member across the floor asked that question yesterday. Colonialism is simply an inferiority complex with regard to the seat of the empire, something that exists in the minds of some who do not live in the United Kingdom. An Englishman who lives or is domiciled in the United Kingdom has the right to be an imperialist; it is natural that he would want his country to be extended as far as possible; but for one who claims he is a Canadian, for one who is domiciled in Canada, to be an imperialist is sheer nonsense.

There are some hon. members who are still imbued with the spirit of colonialism; they still live in the darkness of ignorance, in the shade of the tree of death like the barbarians of olden times. I have quoted a great English statesman to that effect. How can anyone in Canada claim that he is an imperialist and a good Canadian at the same time? That is impossible. It is like trying to square the circle, which is an absurdity. I do not say that because I have no English friends; I simply regret that some who should be proud of their country have a feeling of colonialism in the year 1949.

Because a vast majority of Canadian people did not have that feeling of colonialism, for the first time in many years a leader of a great party was applauded throughout the land because he extolled the virtues and merits of pure Canadianism. The reason I am so happy to give my full support to the Prime Minister (Mr. St. Laurent) is that while he is the head of the government he is no despot. He takes hon. members into his confidence. He consults the members of parliament on every important issue and stands by them. It is only natural that hon. members stand by him and by the members of his cabinet.

My great grandfather voted for the resolution before the Act of Union. My grandfather voted for Blake and Alexander Mackenzie. My father was elected with Laurier in 1896. I am proud to support the Liberal government that we now have in this House of Commons.

Mr. R. R. Knight (Saskatoon): Mr. Speaker, my first words shall be of personal congratulation to the gentleman who has been named Speaker of this house. There seems to be a spirit of unanimity in at least that one thing.

I think almost everyone is agreed that the government should be congratulated upon its choice. Congratulations seem to be in order this session, congratulations to the new government, to the Prime Minister (Mr. St. Laurent), to the mover (Mr. Boisvert) and the seconder (Mr. Laing) of the address, to the new appointees, to new members of the house generally, and perhaps in particular to the new members from that new province, the name of which has been so consistently and variously mispronounced.

I wonder if the hon. members from that new province of Newfoundland are all orators? I was greatly delighted with their first speeches, particularly with the speech of a gentleman who has become my friend, the hon. member for St. John's East (Mr. Higgins). I envy him the purity of his language, the clarity of his enunciation, and his deep knowledge of the subject about which he spoke. May I at the outset join with other hon. members in their congratulations to all these gentlemen.

Perhaps I should reserve special congratulations for two of the new and younger members on the government side. May I say at once that I am sorry they were elected, because they replace two colleagues of my own party, two friends of mine who were formerly in this house. But since in a democracy the electors must be the final arbiters, and since these gentlemen have been elected, I wish them every success. I refer to the hon. member for Kindersley (Mr. Larson), whom I see not in his own but in someone else's seat, and the hon. member for Meadow Lake (Mr. Harrison), young men who for a short time were my pupils. Since the indoctrination of political views is not one of the functions of a teacher, I accept no responsibility for the error of their ways in matters political. Nevertheless, to me their success must be a matter of some personal gratification, for indeed already they may be said to have achieved success since they have been deemed worthy by their fellow men to represent them in this honourable house.

There seems to be an air of peace and quietness about the house this session to which we were not accustomed last session. I think that may be a change for the good. After the battle comes peace, at least temporarily. I believe I have observed a change in the attitude of certain of my hon. friends which may augur well for the speedy conduct of government business this session. The victory of the Liberal party at the polls was clear and decisive. No one has tried to deny that. It is to be hoped that the very greatness of that victory may not work against good government, that it may not result in an apathy bred of the consciousness of power. The power of this government is indeed great; and just as noblesse oblige, so has greatness its obligations. No longer can this government plead a narrow majority as an excuse for inaction in connection with the things the country needs. I hope we shall not have an example of one-party government in this country. This house has an overwhelming majority of Liberal members, though I should point out that they represent only 49·54 per cent of the voters of this country, according to the information contained in a handy little book published by the Canadian Press containing the results of the recent election. According to that same source, there must be in the province of Quebec 600,000 voters—and that figure is conservative—who voted against the policies of the government, but they are represented in this house by only five members, two Progressive Conservatives and three Independents. To me that is an unfortunate situation; the representation of those people certainly is not adequate.

So much for the House of Commons. When we turn to the Senate we find that it has 102 members, of whom all but 15 were appointed by a Liberal government. While I do not grant that other place sufficient importance to become a danger, nevertheless its membership, considered from the point of view of political representation, is extremely disproportionate to the population of the country. The hon. member for Moose Jaw (Mr. Thatcher) the other day went so far as to suggest that the Prime Minister (Mr. St. Laurent) might very well appoint to that body a gentleman who belongs to an opposition political party, mentioning him by name. I shall not go that far, but I would go so far as to suggest to the Prime Minister that he might be sufficiently magnanimous to appoint, irrespective of their political views, men and women who deserve well of their country and who have served in spheres of life other than political, perhaps people prominent in business, agriculture, labour, professional life, literature or art. If the representation of the parties in the upper house were anywhere near equal, that might be too much to ask; but with the present enormous Liberal majority I think it is a reasonable request.

I have spoken of the House of Commons and of the other place. There remains the judiciary. In our province it is common talk that to become a judge one must first of all be a lawyer, next a Liberal, and third either a defeated candidate who ran in the interests of the Liberal party or at least a member and preferably the chairman of a Liberal party executive. An examination of appointments

in that province, both recent and otherwise, might throw some light on that point, though I have not the information before me at the moment. Then there are the civil servants throughout the country. I do not know how they are appointed, but if the recommendations of members of parliament are taken into account I would suggest that probably those appointments are heavily loaded, with the balance on the Liberal side.

This whole situation, as I see it, constitutes a danger not only to this country but to the government which is in charge of our affairs. They have indeed great power. Let them see to it that their power is not abused. As a member of this party, smaller indeed since the recent election, for reasons I shall not broach here, may I say that we shall continue to act as the conscience of this government. We shall continue to create in the public mind a demand for those reforms and changes needed by the people of this country, and shall continue to press upon the government the need to put those reforms and changes into effect.

Legislation to effect one of those changes is now before the house, and here I touch upon the matter which was the subject of the speech by my hon. and genial friend from Temiscouata (Mr. Pouliot). At last we have reached the point where we are ready to show our maturity as a nation and take that final step, which we have not taken sooner for no other reason than timidity, perhaps natural in a nation making its independent debut in international affairs; one might say as a fledgling long nurtured and protected under its mother's wing. The abolition of appeals to the privy council is but a symbol of something which has long been an actual fact: that we are a great and independent nation. We can shake off that dependency perhaps more easily than we can shake off the inferiority complex of which the hon. member has spoken, a complex which has been engendered by that dependency, which carries over from the field of external affairs into other spheres. While we have a culture which is unique and worthy of perpetuation and preservation, we have been content to imitate. Particularly in the spheres of art and literature, I think, we have scoured foreign fields while neglecting the beauty and inspiration of our own. Consciousness of a new nationhood, it is to be hoped, will awaken us to a sufficient pride in the unique and piquant flavour of our own culture to ensure that we do not allow it to be watered down to a tasteless and insipid uniformity. To this end, we need certain conditions. I would say that the first condition we need is the assurance of a long period of peace. Living temporarily upon the crater of an extinct volcano is not conducive to the production of creative art. It is when the mind is free from fear and the body is free from want that men's minds turn to those things which lift mere existence into the realm of worth-while living.

Peace is the greatest need of the world today. We have been apt to assess our progress in terms of ability to produce gadgets, but our application of our inventive genius in the field of science may destroy us all, nay, will destroy us unless we can accompany it with the development of a moral sense. The material assets of which we are so proud could be wiped out overnight by any maniac with an atomic bomb. Even more potent instruments of mass death and destruction are now in existence.

We need peace and we need enlightenment. We need education. When I speak of education I am not thinking of some quick training, some technical course or some vocational training to enable one to earn a living, some intensive course in physics or ballistics which enables a young man to operate a machine gun or an aeroplane. I am thinking of education as a thing of the mind and spirit, a development of the personality, an appreciation of the finer things in life, the development of sound judgment and the ability to analyse things. Were we, as a nation, in possession of these qualities then there might be some justification for our cheek in boasting about our way of life and suggesting that other countries might well adopt it.

This government at Ottawa has some responsibility in this matter. I was pleased when the Prime Minister recognized that fact in the session earlier this year, and announced the appointment of a royal commission on cultural matters. I am glad such a commission is now operating. For some years I tried to persuade the Prime Minister, in his capacity as Secretary of State for External Affairs, to set up in Canada a commission of the United Nations educational, scientific and cultural organization. He categorically refused to accede to my request. However, what's in a name? The important thing is that something is now being done. We hope that whatever advice is given to the government by that commission, it will be followed by the appropriate action. I remember that during the debate in the last session the Prime Minister promised, and it is recorded in *Hansard,* that this would not be just a hope commission, but a commission of action.

During the recent election campaign, the Prime Minister was reported as stating that Canadian universities should be supported in their work, or at least that it would be a pity if their work were to fall off owing to lack

of support. I believe the dominion government must accept some responsibility for the rather backward state of education in some sections of our country because it has persistently refused to aid the provinces in this connection. The universities are short of funds. Great numbers of the veteran students are now graduating into the life of our nation, having been rehabilitated through education provided by D.V.A. At this moment I should like to congratulate the government on the success of that scheme. As I said, some universities are financially embarrassed, and some schools are indeed the poor relations of others.

Taxation for educational purposes must be put upon a broader base than a levy on real property. In that direction lies inequality of opportunity. At a later date, I hope to discuss this whole question; but at this time I point out that the idea that federal aid should be extended to education is becoming more and more generally accepted. It has been discovered by those who during the war accepted federal aid for technical and vocational education, and those who participated in dominion-provincial schemes of assistance to certain worthy students, that federal aid by no means involves federal interference. Many who witnessed the great educational venture of the dominion government in the rehabilitation of war veterans through education have reconsidered this question. My own view is that the fear of federal interference in the administration of education was largely due to a feeling of inferiority which had developed, and not only in the direction mentioned by the hon. member for Temiscouata (Mr. Pouliot).

I believe the aid I advocate is one positive approach to the problem of preserving the unique qualities of our culture and the promotion of enlightenment which I have mentioned as a desirable thing; nay, which I think is fundamental. During the war, we subsidized this and put a floor under that, but we allowed education to become one of the first casualties.

In attempting to weed out of our national life those things which are detrimental to our ideals of culture there is, of course, the negative approach. In this, too, we have a responsibility. I do not wish to say anything against the culture of our friends to the south, but I would point out that we have in our own land something unique, something which is typically Canadian. It is my belief we should not make a practice of copying others but we should develop something of our own.

During the course of the summer, I stopped at a tourist camp in Canada and noticed the place was decorated with United States flags. I went to the lady who was in charge and asked the reason for the display of these flags. She said, "Well, sir, we want to make our American friends feel at home." I believe hon. members in this house will recognize the fallacy of that argument. What our United States friends wanted to feel was that they were in Canada, not at home. It was largely for that reason they came to visit us.

Our young people spend approximately five hours a day in educational institutions and the remainder of their waking hours in what we might call their ordinary environment, the home, the street, or the playing field. Surely, this parliament has an interest and responsibility in the quality of that environment. I note the increase in juvenile delinquency, the increase in the number of divorce cases, and I ponder over the fact that our penitentiaries are filled with young men.

Let us look at some of the negative agencies in this environment. High on the list comes the cheap vulgarity of many commercial radio programs, some moving pictures, the "slick" magazines, the so-called "comic" books, the red and yellow novels which flood the counters of our news stands.

That compels me to face the question of censorship. I am not sure that I favour the censorship of reading material, although it is a matter to which I have given some study. Such censorship as is exercised through the Department of National Revenue is, in my opinion, inefficient and ineffective. I admit that censorship is a tremendously difficult task; because of that fact competent people should be in charge of it. In an investigation which I made during the last session into the censorship of books, I made several startling discoveries. For example, I found that the men who had the final decision on the censorship of books were not fitted either by background, education, experience or training for the task they had to perform. Books denied entry at one customs port were being admitted at others. Entry was being denied books which in my opinion should have been admitted. Books were being allowed in which should have been kept out. I am referring, of course, to books written and published outside of this country. The censorship of foreign-language books is quite inefficient. I have a good deal of material on my files on that point but I shall not weary the house with it because it is not the main subject of my discussion today. I shall content myself by saying that the censorship of foreign-language books and domestic books was particularly inadequate. No great distinction seemed to be made between books which evidenced a necessary realism in the treatment of the subjects with which they

dealt, and those which were purely and deliberately pornographic and were made filthy for the sole purpose that they might become best sellers, with the resulting profit.

In this connection also there is the difficulty of protecting the young without restricting the liberties of the adult, the liberties of those whose character, such as it is, has already been formed. There is the difficulty of restricting the activities of some business people who will sell anything to anyone as long as there is money to be made, and unless there are definite protective laws against it.

The negative approach is admittedly difficult. The positive one is feasible, if inadequate. Tastes are formed through use. We must substitute the useful for the harmful, the good for the evil. In the matter of reading for young people, that procedure at the moment is difficult through lack of material. One does not travel far in other countries until one realizes that on this continent, and particularly in this country perhaps, there is a great dearth of suitable reading for boys and girls. We have for so long accepted the suggestion that the comic book is all that is necessary that we just say: Oh, he has the comics, hasn't he? For years we have accepted the suggestion that the comic book solves the problem. I would express the hope that perhaps with this new consciousness of nationhood, or this awakening of nationhood, we shall not so neglect our youth in the future.

I have, sir, made a plea for the preservation and encouragement of our Canadian culture as such. I have suggested that the government has some responsibility in that matter, and have put forward some suggestions as to how they might marshal that assistance. Finally, let me urge that we cast out this inferiority, that we cast out fear. Let us have confidence in ourselves and in our abilities. Let us beware of taking the shadow for the substance. Let us refuse the easy way, the temptation to adopt a juke-box civilization, all noise and glitter. Let us be originators, not imitators. In short, sir, let us be Canadians, strong in the faith that we too have something distinctive, something precious and unique, to contribute to the community of men.

We have a great country. We are the trustees of a great heritage. Let us keep alive the flame of Canadian culture. It may be dim at the moment but it may be brighter tomorrow. I am reminded of some words of John Buchan, a former governor general who, may I suggest in all humility, if he were to hear me today, would largely agree with what I have said. His words were these:

[Mr. Knight.]

> The spark, once transmitted, may smoulder for generations under ashes, but the appointed time will come, and it will flare up to warm the world.

Mr. D. S. Harkness (Calgary East): I should like first to congratulate you, sir, on your appointment as Deputy Speaker and through you to offer my congratulations to the Speaker on his election as first commoner. I am sure, as I know are all other members of this chamber, that you will both discharge your high and important functions with dignity and justice.

I should like to compliment the mover and seconder of the address in reply to the speech from the throne, and all of the other new members of this house who have so far taken part in this debate. Their speeches have been excellent and indicate that they all have something of importance to contribute to this house.

Today there are several matters on which I should like to make brief comment, the first of which is the revision of the Indian Act. This act has not had any main revision for something over fifty years. As a result, it is greatly out of date, a fact which makes it difficult for the officials of the Indian affairs branch to administer that department in the best way possible for the Indians of this country and in a way which is in conformity with the general advance in ideas that has taken place over that period of time. This fact was recognized, and in 1946 the following resolution was passed in this house:

> That a joint committee of the Senate and the House of Commons be appointed to examine and consider the Indian Act, chapter 98, R.S.C., 1927, and amendments thereto and to suggest such amendments as they deem advisable, with authority to investigate and report upon Indian administration in general and, in particular, the following matters:

And the matters are listed. As a result of that resolution a committee was set up. This committee held long sessions throughout 1946, 1947 and 1948. It received evidence from several hundred witnesses. A great deal of work on the part of departmental officials was devoted to the committee and to the securing of information for it. As a result of the sittings of that committee a series of recommendations were made to this house. They were adopted, and as a result I think a considerable improvement took place in the administration of the Indian affairs branch. For one thing, a large number of day schools have been and are being built at the present time, to improve the educational facilities for our Indians.

Hospital and medical care have also improved considerably. However, the main purpose for which the committee was set up, namely, to amend the Indian Act, has not been carried to fruition. In spite of

the urgings of myself and a considerable number of hon. members at the last session of the last parliament, the government did not see fit to introduce the suggested amendments to the act which had been made in previous years. Only a day or two ago the hon. member for Comox-Alberni (Mr. Gibson) asked the government whether they intended to introduce at this session legislation to amend the Indian Act. The answer of the minister, as reported at page 232 of *Hansard,* was as follows:

A draft bill to amend the Indian Act is in the hands of the Department of Justice, but I am not able to say when it will be available for consideration by the house.

That was the situation in 1948. After the committee had spent this long period in debating the suggested amendments to the act the thing was put into the hands of the Department of Justice, and apparently it has remained there ever since. Surely the officials of the Department of Justice have had time to look into the matter and have it ready for presentation to the house. I strongly urge upon the government that a revised Indian Act be introduced into the house just as rapidly as possible. If the government is still not satisfied with the draft bill that was prepared by the committee and revised by the Justice department, then I would ask that the joint committee be reconstituted just as quickly as that can be done, so that the work can be gone on with. The Indians of the country, and a large number of other people who are interested in their welfare, hoped for great things from the setting up of the committee on Indian affairs and the revision of the act. The government has a moral duty to have this matter brought to completion just as soon as it can possibly do so.

I should now like to say something about a matter which was brought up by the hon. member for Kootenay West (Mr. Herridge), this afternoon, and earlier this week by the hon. member for Nanaimo (Mr. Pearkes), namely, the difficult situation in which imperial veterans now find themselves as the result of the devaluation of the British pound. I hold in my hand a resolution which was forwarded to me by the Calgary branch of the Army, Navy and Air Force Veterans Association, urging this action upon the government. The exact way in which this could be done I do not wish to suggest. One thing which would help considerably, as far as some of these men are concerned, is the extension of the war veterans allowance to them. Apart from that, some arrangement might be come to between this government and the British government in the matter of bringing these men's pensions back to the level at which they were before the pound was devalued or when the pound was at the normal rate of exchange; or, as suggested in this resolution, this government might supplement the British pensions in order to bring them back up to what the normal rate would make them.

Another matter along that line which I should like to mention is the plight of the superannuated civil servants. I have had several pitiable letters from ex-dominion civil servants who have been superannuated on extremely small pensions. I should like to bring them to the attention of the government and request that something be done particularly for those men who have pensions smaller than the old age pension paid. Quite a number of these people, although they worked for many long years for the Dominion of Canada, have pensions considerably smaller than that to which they would be entitled if they were able to draw old age pensions. In most cases these men are in the age bracket of from 65 to 70. Since there has been a great deal of talk and, as I remember, quite a few promises by the government that the old age pension age would be brought down to 65, they could very well start to redeem these promises by giving to these superannuated civil servants allowances at least sufficiently large to bring them up to the scale of the old age pension.

So far in this debate we have heard considerable talk about irrigation. There is one phase of that matter that I should like to say something about. In western Canada we are beginning to use the sprinkler system of irrigation, in which a pump and a system of pipes, and so on, are used to put water on the land rather than levelling it off and putting it on by means of ditches. It possesses many advantages over the levelling and ditching system. It means that a great deal of land, which could not have been irrigated otherwise, can be brought under irrigation. One of the difficulties in connection with it is that the machinery needed—the pump, the pipes, and so forth—is subject to duty and tax. I know of two farmers in the area east of Calgary who, being desperate because of the drought conditions there in the past summer, imported this machinery from the United States and they had to pay a tax of over $1,100. Their contention, which I think is perfectly justifiable, is that this type of equipment should be classed as farm machinery, and as such not subject to tariff and taxes. I would ask the Minister of Finance (Mr. Abbott), who fortunately, I see, is sitting across from me, to bear this fact in mind when he is making up his budget resolutions. I may say that I took this matter up with the Minister of National Revenue (Mr. McCann)

and asked him whether it would be possible for his department to make a ruling that this type of machinery was indeed farm machinery, as it is, and thus not subject to duty and tax. His reply, however, was:

To permit of the duty free entry of such apparatus, a tariff change would be necessary. Amendments to the tariff do not come under my department, being rather the responsibility of the Department of Finance.

It seems to me this is a matter in which the Department of Finance could move immediately, and in doing so could bring aid in irrigation to considerable areas in western Canada where water is available and can be used by means of this sprinkler system.

I should now like to say something on the subject of defence. During past years we in the official opposition have made repeated efforts to secure information in regard to the state of the defences of this country. In many instances these efforts were far from successful. The information was denied to us. However, a general picture was always built up by the Minister of National Defence (Mr. Claxton), both here and throughout the country at large, that our defence situation was excellent; that we had a small but mobile highly trained hard-hitting defence force, which was capable of dealing with any eventualities it was possible to foresee arising. It was well adapted to deal especially with the only thing that we could reasonably expect in this country, at the start of a war at any rate, namely, diversionary raids particularly on our northern airfields.

Well, during the past summer an exercise was held in the Peace river valley to test, apparently—at least that was what was given out in the newspapers—the ability of our defence forces to meet a diversionary raid of this nature. It was known as Exercise Eagle. The result has been rather unfortunate. The chief feature which strikes me in this connection is that the exercise showed a tragic lack of proper equipment on the part of our defence forces. This is the sort of thing which appeared in the newspapers all across this country—and I shall proceed to read a few extracts to show what these correspondents, most of whom were men who had seen service overseas, thought of the equipment of our defence forces.

The first of these is from the Vancouver *Daily Province* of August 8. This is an account by Ross Munro, stating—

The exercise clearly revealed some startling weaknesses in our defence picture.

The most alarming feature is the almost-complete inadequacy of the R.C.A.F. operational aircraft to meet attack. The combat planes are too old and too few.

Further on in the same article he speaks about the good performance put on by the P.P.C.L.I., an infantry regiment stationed at Calgary, which has now been trained as a parachutist regiment. Referring to that unit he says:

But even the P.P.C.L.I. need more equipment; for example, they had to borrow most of their parachutes from the joint air school at Rivers, Manitoba, for this scheme. They also borrowed 150 jump tunics.

And further on, referring to the aircraft used in the exercise, he states:

In regard to the types of planes, the most astonishing thing was that there wasn't a single jet fighter in the whole exercise.

They weren't put on "Eagle" because they had been worked hard during the two-week summer camp of the western reserve squadrons and maintenance problems were too tough for operating up here.

The most modern plane was the Mustang fighter and the R.C.A.F. even had to call on Rockcliffe and Trenton stations in Ontario to make up a nine-plane squadron.

But the bulk of the "fighters" were the old Harvard trainers. Then there were obsolete Mitchell bombers—six of them.

The majority of the pilots were civilian reserve officers and they showed they could do a job. But again they had so little to work with.

The air force staffs also executed their tasks of planning and directing extremely well.

The "tools" of war were lacking. The R.C.A.F. and exercise "Eagle" foundered on that point in its application to air force performance in an emergency at this time.

And here is an article by Paul St. Pierre which appeared in the Vancouver *Sun* of August 8:

Russia could play havoc in our northland today if she successfully launched an airborne attack of sacrifice troops. If any Canadian officer disagrees with this he is not among the dozen with whom I spoke.

And later in the same article he says:

But it was a distressing sight to see a young, enthusiastic paratrooper trotting about the battle scene with an alder stick with a tin can nailed on top. "That's a trench mortar," an officer explained.

There were many other newspaper accounts along the same line. In one of them, I remember, there was a complaint that the heavy machine guns used by the P.P.C.L.I. in this exercise—or at least some of them—were not equipped with sights. They did not have the sights for them.

What all this leads us to is the fact that during the past three years we have voted large sums of money for the defence forces. We in the official opposition have tried to find out the purposes for which the money was being used, if it was being properly spent, and if we were getting the efficient and effective fighting force to which the expenditures entitle us. We were denied that information and told that everything was fine. When an exercise of this sort takes place we find everything is not fine.

The accounts sent out by the correspondents who were there indicate that the men were all right. The P.P.C.L.I. put up a magnificent performance. Fighter pilots and other air crew did excellent work. The staff work was all right. The thing that was wrong and which caused the exercise to fail was the fact that proper equipment was not there. We did not have it in this country.

We have maintained right along that a defence committee of the House of Commons should be set up to which full information could be given respecting the state of our defence forces. The situation brought to light by Exercise Eagle reinforces that contention, and points up strongly the fact that the house needs a committee of that kind which could get more information about defence.

It is our duty to see that the moneys voted for defence purposes are properly spent. From what we can make out, they may have been properly spent, and they may not. At any rate we have not got what we paid for. We have not an effective fighting force. In theory we are supposed to have an airborne brigade which could stop any diversionary raid on this country. We are supposed to have an air force which would transport them to the place where they would be needed. This exercise demonstrated that we have not those things. We have not the equipment which would make it possible for our men to do the job.

In my view the Minister of National Defence (Mr. Claxton) should, in fact must, make a full explanation to the house as to exactly what did happen, what the situation was in this exercise, and just what the situation is at the present time, so far as defence preparations are concerned. In particular we should be told the situation from the standpoint of equipment, one feature in connection with which we appear to be especially weak.

There is one other phase of defence matters upon which I should like to touch briefly, namely passive defence measures against atomic warfare. I discussed this matter last February in the debate in reply to the speech from the throne, and at that time requested the minister to make a statement as to what passive defence measures this country had taken. I have not yet received an answer to that question.

I know that over a year ago the government appointed General Worthington, a most capable officer, to survey this situation. Whether his survey has been completed or not, or what he has recommended, has never been made public so far as I am aware. As for this country's being protected in the event of another war, I think perhaps it is more necessary to take proper measures of passive defence than to do anything else, including the building up of our actual defence forces.

The news which came last week, that the Russians now apparently have atomic bombs, makes this more urgent. It brings the matter into sharp focus and makes it imperative that steps be taken to protect the civilian population in the event of war breaking out. That is not so very unlikely, although we hope, trust and pray that it will not take place. In my opinion there is no question that long before this we should have been taking a considerable number of measures to protect the general public in the event of the dropping of atomic bombs. These would be measures planning for the evacuation of people from our larger centres of population.

I suggested last February that in considering its housing plans and various schemes to aid the construction of houses the government should make it possible for those who wanted to build houses in the smaller centres to obtain the same assistance given to those who were building in the more densely populated areas. It would seem that a reverse policy has been adopted. From what I can make out it is much easier to obtain help under the National Housing Act for the building of houses in the larger centres of population than it is for the building of houses in the smaller centres.

At that time I pointed out, and I still am strongly of the same opinion, that efforts should be made through the industrial development bank to bring about a dispersion of industry which would carry with it a dispersion of population because people will go where they can get work.

I shall come back to both aspects of this matter of defence to which I have referred when the estimates are before us, but in the meantime I ask the minister to be prepared, either during this debate or when his estimates are before us, to make a full statement and answer the questions which have been posed here.

THE ROYAL ASSENT

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

Mr. Speaker, the Deputy Governor General desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate.

And being returned:

Mr. Speaker informed the house that the Deputy Governor General had been pleased

to give in His Majesty's name the royal assent to the following bills:

An act to amend the Criminal Code.
An act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1950.

At 6.15 p.m. the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

Mr. H. H. W. Beyerstein (Camrose): First of all, Mr. Speaker, I am sure that the people of my constituency would want me to pay a tribute to my predecessor, Mr. James A. Marshall, who has so ably represented Camrose in this house over the past fourteen years. By keeping close contact with the people of the constituency he has won the esteem of all. It was with deep regret that they received his decision to resign.

I should also like to say a few words with regard to the wonderful agricultural constituency which I now have the honour to represent. In Camrose we have one of the finest mixed farming districts in Canada. We are proud to say that we have a greater number of registered seed growers than are to be found in any other part of Alberta. We cannot claim the honour of having the world's wheat king. He happens to live in the nearby constituency of Red Deer. We can, however, claim the honour of having the world's rye king. In addition, we have several other farmers who have won recognition in the field of agriculture. In the matter of purebred livestock, our herds are comparable to the best in Canada. In this field also it is not uncommon for one of our farmers to produce a champion.

In addition to a well-balanced mixed farming district we have several coal mines in the constituency. From those mines we export a considerable amount of coal each year. The oil industry in the Camrose constituency is as yet in its infancy. So far we have only one well; it is located at Stettler. We hope, however, that this is only the forerunner of a more prosperous field.

Generally speaking, the Camrose constituency is well blessed, but we have a few problems which I would bring to the attention of the government at this time. Those problems are not peculiar to this constituency alone. They would affect most other parts of Canada. In order to make a good agricultural district better we would suggest that the government should provide:

[Mr. Speaker.]

1. Low cost credit facilities through agencies especially acquainted with agricultural and marketing conditions.

2. Fair prices sufficient to cover the average production costs and to give primary producers a fair net return for their services based on parity.

3. The Canadian wheat board should be revised so that the board becomes an agency operating primarily for the benefit of the producer.

4. Stability of our basic industry through long-term international wheat agreements.

5. Permanent agricultural prices support legislation.

6. Producer representation on all boards and agencies having control over farm products.

If the government would consider these measures, it would tend to make farming, not only in our constituency but in the rest of Canada, much better for all concerned.

At this time I would also mention the Prairie Farm Assistance Act. Farmers who have for many years been paying into this fund at the rate of one per cent on all grain sold suddenly find that in time of need they are unable to derive any benefit under the act simply because their farms happen to be on the wrong side of the township line. Surely there must be a more equitable manner in which this act could be administered. I understand that it is coming up for revision this session, and I would urge the government to consider this matter.

In our constituency, as in other parts of Canada, there are a number of senior citizens who are commonly known as old age pensioners. They were pleased to receive a $10 increase in their pension just before the last federal election. They would be more pleased, however, if the government could see fit also to raise the ceiling of their earning power. Many of our old age pensioners are bedridden. They are not considered to be bad enough to be hospitalized, but at the same time they are unable to care for themselves. In these cases the pension paid is not sufficient to take care of their needs. I think that is a matter which should be considered. Another nice gesture would be for the government to issue to each old age pensioner a radio licence which would be valid for the rest of his life.

I should also like to say a few words with regard to freight rates. Many rumours have been circulating with regard to a proposed increase in freight rates. At this moment I should like to say that the people of my constituency would be absolutely opposed to any change in the freight structure, especially the Crowsnest pass agreement, unless the change were in a downward direction.

Those are some of the problems which confront the people of my constituency. It might be argued that these proposals would take a considerable amount of financing. In reply, I would refer to *Hansard* of Tuesday, March 22, 1949. On page 5 of the appendix to the budget presented by the Minister of Finance (Mr. Abbott) will be found a chart. This chart shows the gross national income and the gross national product for a period of eleven years, beginning with 1938 and going up to 1948. The interesting thing about this chart is that in every year, as will be noticed, the column which represents the gross national production is always greater than the column representing the gross national income.

In other words, the flow of prices is always greater than the flow of purchasing power. That is to say, at any given time we are never able to buy back the goods of our producers. Carrying this argument a little bit further, I refer to the Canada Year Book. At page 1089 of the 1948-49 edition it will be found that the net national income in 1947 was $10,981 million and that the net national production in 1947 was $13,375 million. In other words, in that year there was a shortage of $2,394 million; we were that much short of being able to buy back our production.

We could trade some of that surplus with other nations to our mutual advantage, and if we did so we would still have the same amount left on our shelves. Therefore, taking 1947 as an example, we would have $2,394 million worth of goods lying on the shelves. These goods represent real wealth. I suggest that the government should create a commission, which would be responsible to the people through parliament, to take these goods on the shelves and use them as a backing for the creation of new credit, and in this way we would be able to finance the proposals I have outlined today.

Mr. F. D. Shaw (Red Deer): Normally, sir, I would hesitate before participating in the debate, especially when all indications are that we are rapidly approaching a vote. While certainly not desirous of prolonging discussion and thus deferring that vote, I do find it necessary to deal with some matters which have recently been injected into this debate. My participation at this time therefore might be regarded as a product of circumstances rather than a product of deliberate design.

Before proceeding to refer to some of these matters which I consider it necessary to deal with, I desire to extend to Mr. Speaker my very sincere congratulations upon his elevation to the high office which he now occupies. It is not done, sir, through any feeling that it is the right thing to do. It is done because of my sincere belief that I would not be fair to myself were I not to express to Mr. Speaker the warm feeling which I hold toward him and the hope which is within me that he shall enjoy all success in that high and responsible office. I can assure him that he will at all times have our wholehearted co-operation.

May I also, sir, join with previous participants in this debate to congratulate the mover (Mr. Boisvert) and the seconder (Mr. Laing) on the excellence of the addresses which they delivered in this house. In passing I might say that one need not necessarily agree with all that they said in order to be quite sincere in offering congratulations to the hon. members.

It is rather a pleasant experience for one to come into a new parliament and meet the many new members who have joined us as a consequence of the election. We wish them well in the arduous duties which we know that they will have to bear. We might at times have to differ with them on the floor of this house, but nevertheless we possess warm personal feelings toward them.

In the course of this debate last night reference was made by the hon. member for Vegreville (Mr. Decore) to a number of matters with which I shall have to deal upon this occasion. In some instances the story was left quite incomplete. In my estimation, an incomplete story can oftentimes be much worse than a story which is wholly false. I find it a duty, therefore, to complete and correct certain of these assertions. I should like to refer to *Hansard* of yesterday. At page 320 I find this:

> The Liberal popular vote in that province—

Referring to the province of Alberta.

> —was approximately 117,000 as compared with 131,000 for the Social Credit candidates. How is it that the Liberals have only five members from Alberta, whereas the Social Credit party have twice as many?

In passing I would say that that is not a section with which I wish to deal particularly, but I would say to the hon. member for Vegreville that obviously it is a problem of distribution, a problem which the federal government, both in this instance and more particularly as far as the economic angle is concerned, have found it impossible to solve. It is not surprising, therefore, that this should continue to constitute a serious problem as far as they are concerned. Let me continue with the next section of the statement. The hon. member illustrated what he meant by referring to the Peace River constituency, the constituency which my leader has represented well ever since 1945. He said:

> The illustration I want to bring out now is an example of what happened in many constituencies. For instance in the Peace River constituency the

hon. member from that area received in 1945 a majority of over 3,200 votes.

Mr. Low: How many votes?

Mr. Decore: I do not know how many votes, but the majority is over 3,200 votes.

Mr. Low: Give the number of votes.

The hon. member did not have the information available. Since a wholly wrong impression was created there, I should like to refer to the results in Peace River. In 1945 the Social Credit candidate received 7,319 votes. In 1949 he increased that number of votes by 408, which puts quite a different complexion upon the hon. gentleman's statement. I emphasize it: the hon. member for Peace River increased his vote in the Peace River riding. It is true that the Liberal candidate also increased his vote, but the inference that he did it at the expense of the hon. member for Peace River is wholly incorrect. On the other hand, my friend of the C.C.F. lost 460; the Conservatives lost 1,184; and there were 2,062 new voters. I do not want to take any credit away from the Liberal candidate in that constituency, but certainly to leave the impression that the hon. member for Peace River suffered, as it was suggested he suffered, is wholly incorrect; it is a wholly erroneous conclusion to draw, and a false impression results.

Mr. Decore: The hon. member did not know the results until four days after the election.

Mr. Shaw: I am surprised that in giving the illustration the hon. member for Vegreville did not use his own constituency. I am going to do that. In Vegreville in 1945 the Liberal candidate received 4,806; the Social Credit candidate received 7,146; the Communist candidate received 3,272; and the C.C.F. candidate received 1,668.

Some hon. Members: Hear, hear.

Mr. Shaw: I anticipated that; I am pleased to have received that applause. The Social Credit candidate in 1949 received 7,115, or 31 votes less than he did in 1945. May I say to the hon. member for Vegreville that my story will be complete, if he will only listen.

In 1949 the Liberal candidate gained 4,066 votes.

Some hon. Members: Hear, hear.

Mr. Shaw: I had indicated applause in my notes at this point, because I knew there would be applause. This increase of 4,066 votes may be cause for great rejoicing on the part of the Liberal party, and particularly the Liberal member from Vegreville.

But I ask them this question: Can the 4,066 votes be called Liberal votes? The answer is no, definitely no. Do those 4,066 votes represent an increase in Liberal strength in that constituency or in Alberta? The answer is definitely no.

So that we may better understand the former member for Vegreville, it is necessary to go back a bit. Between 1940 and 1949, the Vegreville constituency was efficiently and effectively represented in the House of Commons by Mr. Hlynka. Mr. Hlynka was an ardent supporter of the British commonwealth —and I am sure all those who are here will agree with that statement. Mr. Hlynka was an outstanding champion of Canada, of a free Canada and of free Canadians. He believed in democracy—the best form of democracy—and in democracy all the time.

Mr. Low: That is why the communists turned against him and joined the Liberals.

Mr. Shaw: He was a staunch supporter of the Canadian people. And he supported in all his fervour the implementation of policies designed in the first place to make Canada stronger, policies which would provide a much greater opportunity for security for Canadians, a policy which would guarantee a higher degree of individual freedom for all Canadians.

He was an arch foe of communism; he was an arch foe of totalitarianism, and of regimentation in any and all forms. Hon. members who were in the house during those years will know that he exposed and opposed communism both in the house and out of it at every opportunity. Two years ago it became obvious to us that the communists would stop at nothing to put him out of his seat, to remove him from the Canadian House of Commons where his voice could be heard, as it had been heard during those nine and a half years.

Mr. Low: They went the limit this time.

Mr. Shaw: What occurred? Prior to the election of June last it was agreed by the communists that they would not run a candidate in the Vegreville constituency where they had polled 3,272 votes in 1945. For some reason or another they were able to persuade the C.C.F. to refrain from nominating—

Mr. Bryce: No, they did not.

Mr. Shaw: That may have been a false deduction on my part, and I apologize. The C.C.F. were persuaded by someone—

Mr. Low: That is right.

Mr. Shaw: —to refrain from putting a candidate in the field.

An hon. Member: What about the Progressive Conservatives?

Mr. Shaw: There may be a few there, but I have not heard of them. They did not have a candidate in 1945—at least I do not think they did; and they did not have one in 1949.

It was concluded by the communists in that riding that the most effective method to be employed in removing Mr. Hlynka from his seat was to vote Liberal. They were influenced in making that decision by the reported assertion of the Prime Minister (Mr. St. Laurent) when, either at or nearing Regina, he said that Liberalism was nothing but C.C.F.-ism in a hurry, and the communists—

An hon. Member: The other way around.

Mr. Knowles: Point of order.

Mr. Shaw: It occurred, and after all, that is the important thing. Nomination day came and passed, and there were but two candidates in the field. Then came forth that tirade of printed abuse which only the communists seem capable of concocting, or low enough to concoct. Their policy was: Get rid of Hlynka at any price and at any cost. They called him a fascist tool, a nazi—and when I say that, I wonder how long we in Canada are going to permit the dissemination through the mails of material of that kind. All hon. members know that Mr. Hlynka was as bitterly opposed to fascism and communism as anyone who sits in this House of Commons.

They also attacked him because he had arranged to bring from Europe certain displaced persons who had suffered agonies as a consequence of war. They claimed that he had brought the scum of Europe. That, of course, is a charge against the government, and it is not true. He brought to this country many of the finest people ever brought here from any country. They said, "Do not vote for him; vote for anyone else when you go to the polls. But do not vote for him"—which, of course, could lead to only one conclusion, namely that they were to vote Liberal.

And so we find this very interesting situation, that while the Liberal candidates did pick up 4,066 votes, there were among those 3,272 communist votes—if one can be proud of them—and I presume a portion of the C.C.F. votes. It certainly cannot be argued that the thirty some odd votes lost by the former member for Vegreville caused his defeat; because, if he had polled the same vote that he polled before, these communist votes would still have made possible the election of a Liberal.

I am not in the habit of issuing challenges in the House of Commons, but on this occasion I do challenge the present member for Vegreville to take the same stand with the same vigour against communism on the floor of the House of Commons as did the former member for Vegreville. In order to equal his predecessor's record that fight will have to be made effectively, vigorously and certainly continuously. That is all I wish to say about that matter. It is unfortunate that one has even to refer to it but, on occasion, some things do become necessary.

I should like to make one more reference to *Hansard*, probably to make a correction, and quote the concluding paragraph of the speech made by the hon. member for Edmonton East (Mr. Macdonald), whom I have met and who I think is a very fine gentleman. But I think he stuck out his neck when he said this, as reported on page 334 of *Hansard*:

> We in Edmonton—

I would be the first to agree that Edmonton is a wonderful city.

> —are conscious that the residents are in complete accord with the policy of this government and its administration, and that they will at the first opportunity express through their democratic ballot a desire to select for Alberta a government in step provincially with the national administration.

Some hon. Members: Oh, oh.

Mr. Shaw: I had an indication of applause at that point. It can hardly be said that the residents—the word is used in an all-inclusive sense—are in accord with the policy of the government when the two government candidates received 25,255 votes against opposing votes totalling 36,548. They represent considerably less than half the residents of that fair city. In fact, in Edmonton East there were enough Social Credit votes cast to win the seat, but of course it was a divided vote and we lost. The latter part of the remarks of the hon. member indicates a rather forlorn hope when he says that before long Alberta will elect a government in step provincially with the national administration. That is about as remote a possibility as to sell bathing suits in wholesale quantity to the Eskimos. There are two reasons for my making that statement. The first is that the great majority of the people of Alberta have not forgotten that dismal, that bleak period we are all constantly trying to forget in the province of Alberta, the period from 1905 to 1921 when we had a Liberal administration in the province.

I have in my hand a Bank of Canada report for 1937 which contains the result of a survey made by the Bank of Canada into the finances and related matters in connection with Alberta. After reading this today I assume I shall have a nightmare tonight. Referring to that period it states that the roots of most of the problems that existed in Alberta in 1937 were attributable to the period 1905-21. They characterize that period by using such words and phrases as waste, loose administration and the incur-

rence of debt which could not be justified even by the optimistic spirit of the times.

Mr. Fair: That was those awful Liberals.

Mr. Shaw: It goes on to point out the threat to our cash position in Alberta, that our solvency was likely to be questioned. We are told in the report that the policies pursued resulted in the accumulation of a deadweight debt burden and that no effort had been made by the government to put the province on a self-supporting basis in spite of the opportunity provided by the favourable conditions of the times.

Mr. Blackmore: That was the Liberal government.

Mr. Shaw: That was the Liberal government of Alberta, the only one we ever had. Is it any wonder that we do not want any more? Then there is a second reason, a mighty good reason, a reason which has been referred to by some Liberals from Alberta who have spoken already. This is the wonderful position in which our good province finds itself today. I realize that we have passed through times that have been somewhat different from those that existed during the early depression years, but other provinces passed through similar times.

The great majority of the people of our province know that we have an administration that is efficient and honest. Through the pursuance of wise policies that government has brought that province to the forefront of the Canadian provinces.

An hon. Member: I suppose you put the oil there?

Mr. Shaw: Some hon. member interjects to ask if we put the oil there. I can remember how the Liberals sat on that oil for a long time without doing anything about it. The Social Credit government has encouraged the development of resources in the province when there was no comparable development over the border.

Mr. Low: The Liberals frightened all the capital away.

Mr. Shaw: Some people even tried putting traps at the border in order to keep capital in, but under the Liberal administration it still got out. As I said, the great majority of the people of our province know that through the determined application and pursuance of policies that were wise and progressive we are in such a sound financial position in the province today that if it were admitted it would be said that we are the envy of all Canada. Through similarly wise policies we have made outstanding progress in the fields of agriculture, education, public health and so forth right down the line. I can back up what I say by a simple reference to what has been said already during this session. When the legislature assembles in Alberta, if you look long enough and close enough you will find two Liberals. They are both from urban centres where they got in by mistake because we have a peculiar system of voting in the cities and they could not be kept out even if they were not wanted.

An hon. Member: If it were not for that they would not be in.

Mr. Blackmore: They are a splinter group.

Mr. Shaw: If the hon. member for Vegreville (Mr. Decore) would put some of that wisdom in his speech instead of interjecting into mine what he thinks is wisdom he would make some headway.

An hon. Member: Yours needs it.

Mr. Shaw: That is quite conceivable. I realize that it is hard to squarely face the facts and still say, "No". As I say, I have two reasons for knowing that the hope expressed by the hon. member for Edmonton East is a futile, forlorn hope. For the benefit of the hon. member from Vegreville, let me say that in the last election on June 27 we increased our popular vote in the province by over 17,000. If that vote had been properly distributed it might have kept the hon. member at home.

Now, Mr. Speaker, I should like to depart from that branch of my remarks. I hear someone say, "Good." I have more; I can expand it even further, but I should like to refer to other matters. One of them has been referred to already by my colleague from Camrose (Mr. Beyerstein) whose name, incidentally, I have heard mispronounced several times in the house, and I have noticed spelled incorrectly on the seating plan. He referred to the P.F.A.A. His constituency is very similar to mine except that, as he pointed out, in my constituency I have the world wheat king. I need say nothing more to indicate the nature of the fine agricultural constituency I have the honour to represent. The farmers of Red Deer, together with those of Camrose and other constituencies, have been making a forced contribution of one per cent under the P.F.A.A. With the exception of a very small part of my riding, out near the constituency of Acadia, we have not had to think in terms of P.F.A.A. benefits, but that is not the case this year. I do not know whether it was due to the presence of so many Liberal politicians in the province—

Mr. Johnston: We certainly had a lot of hot air.

Mr. Shaw: Yes, which dried out a good part of my constituency. We had the driest year we have known for forty-five years.

Mr. Mitchell: That may account for the dry speech.

Mr. Shaw: I hear the Minister of Labour (Mr. Mitchell) make some reference to a dry speech. Perhaps he will get up and give us his definition of money again.

Mr. Mitchell: I was going to ask my hon. friend when he was going to switch to phony money.

Mr. Shaw: Since the minister has been a member of the Liberal government for so long, and has been associated during that time with the financial policies pursued by the Liberal government, I can tell him nothing about phony money. To return to the subject of the P.F.A.A., however, some sections of my constituency should be permitted to claim benefits under that legislation this year. We hope this may be the one and only time that will be necessary; as I said a moment ago, it was the driest summer in the last forty-five years. But under the terms of the P.F.A.A. as presently constituted I fear that the farmers in my constituency who require assistance because of this calamity will not be able to qualify. That seems most unfair, in view of all the money they have put into that scheme since its inception. As the hon. member for Camrose has said already, I believe that when the P.F.A.A. is under revision we should see that the regulations permit farmers such as those in my constituency who now require assistance to qualify.

I wish to say a word about the matter of proof of age under the Old Age Pensions Act. In my constituency, as elsewhere, there are many pioneer citizens who have made a great contribution toward the development of Canada. Many have spent from forty to fifty years within the borders of our country. Now they are reaching the age of seventy or over, and unfortunately many cannot provide any acceptable evidence at all as proof of age. In many cases their births were never registered, and there may be no entries in the family bibles. Owing to the fact that many of them lived in sparsely populated sections of the country, sometimes in our country and in other cases in the United States, they are not even listed in the census records. Today those people, many of them from seventy to eighty years of age, are suffering severe hardship. I understand, and here I am expressing an opinion based on something I have been told, that there are ways by which medical men can ascertain the approximate age of a person. One such way, I believe, is by examination of the skin texture. I may be wrong; that may be entirely out of the question, but there may be other methods. In many of these cases all you have to do is look at the man. In my opinion, Mr. Speaker, some leniency should and must be shown in this connection. No less than four such cases have been brought to my attention during the past summer. There may not be so many, but let us remember that one case is enough to warrant action.

I repeat that I had not anticipated participating in this debate. However, I am rather pleased that the opportunity to do so presented itself.

Mr. George Prudham (Edmonton West): Mr. Speaker, in rising to speak for the first time in this house in this debate on the speech from the throne, I should like first to compliment you upon your election to the high office you hold, and on the fair and equitable way in which you discharge your duties. I should like also to add my commendations to those already extended by previous speakers to the mover and seconder of the speech from the throne, who made excellent addresses.

I am from Edmonton West, which was so ably represented for many years by Senator James A. MacKinnon. If I should ever attain the dignity and the respect and confidence of my constituents and of the people of Canada at large that he has, my presence in this house will have been well justified. Edmonton West is both rural and urban. It extends westward from the city limits for about seven miles and northward for about twenty miles. Within the boundaries of the constituency the oil drillers are busy. The riding is bounded on the south by the Leduc oil field, on the west by the Woodbend oil field and on the north by the Redwater oil field. My colleagues from Vegreville (Mr. Decore) and Edmonton East (Mr. Macdonald) have already made reference to the phenomenal growth of the oil industry in the Edmonton area.

Edmonton is built on a large coal field and has large resources of natural gas, with more being discovered almost daily. Fuel is abundant and cheap. For the ordinary-sized house, it requires from $5.00 to $12.00 per month for heating. Power is cheap. Edmonton has one of the most modern steam power plants on the continent. An interchange agreement with the Calgary Power Company ensures an ample supply of power for peak loads. Many industrialists are beginning to realize the potentialities of the district. One of the latest announcements concerns the development of a large pulp and paper industry. A large agricultural area contributes to Edmonton. The commerce of the vast Peace river area and the Northwest Territories are

all channelled through Edmonton by northern waterways, railways, highways and by air.

It is our hope that the trans-Canada highway will pass through Edmonton. There are many reasons why it should. The northern route would serve the largest number of people and it would be cheaper to build. A caravan of about fifty motor vehicles recently travelled from Edmonton to Vancouver through the Yellowhead pass, demonstrating that even over the unimproved terrain of the mountains motor travel is possible. By following the route of the Canadian National Railways it is found that snow is not a problem except for a stretch of about ten miles. This portion could easily be kept open for year-round traffic. The hon. member for Mackenzie (Mr. Ferrie) raised an important point in the house yesterday concerning the use of this highway for national defence. If the announcement the Prime Minister made last week means anything, it means we should look to our defences. We are preparing our defences in the Atlantic; what about the north?

In the event of war, the Edmonton area which is producing oil, the vital necessity of war, would be very vulnerable to attack. I fully realize, Mr. Speaker, that the highways are within the jurisdiction of the provinces. Nevertheless, I would suggest that the urgency of national defence considerations alone warrant the setting up of a fact-finding commission to gather all the data as to cost of construction, economy of maintenance and military value of the various mountain routes proposed for the trans-Canada highway. Let those facts be made available to all the provinces concerned before the location of the highway is finally determined.

The Alaska highway extends north to Alaska, but has no southern outlet and so does not connect with Edmonton. The Alberta government does not seem to have the money or, for some reason, has never linked up this highway with the highways in the south. The discovery of oil has not been an unmixed blessing. Since Edmonton has become the oil capital of Canada—I am saying this for the benefit of my friends from Calgary—

Mr. Smith (Calgary West): I can take a joke; I can go along with a gag.

Mr. Prudham: —there has been a tremendous influx of people. At the present time it has been estimated there are at least a thousand people moving into the city of Edmonton every month. The population has increased from approximately 90,000 before the war to nearly 140,000 today. This tremendous influx is taxing the facilities of the city such as transportation, schools, office space and especially housing. I have been told of oil executives who conduct their business in Edmonton during the week and commute to Calgary to live with their families over the week ends.

Mr. Smith (Calgary West): That is a good idea, too.

Mr. Prudham: Immediately following the war, the government spent a great deal of money providing emergency shelter for the returned veterans. Army barracks and anything else that would provide shelter were converted into temporary housing units. The wartime housing scheme has been extended to over 1,200 units. Much of the so-called temporary housing accommodation has become permanent because it has been occupied for four or five years now.

Before the war Edmonton was known for its wide open spaces. Today there is scarcely a lot that is undeveloped. The city has been forced to extend utilities to areas which were previously agricultural. The city has done a good job under difficult conditions. From two to three thousand houses have been built per year since the end of the war but this does not even keep up with the increase and certainly does not replace the temporary shelters. So far as housing is concerned, I would say Edmonton was at the explosive point.

I was pleased with the proposals made by the Minister of Reconstruction and Supply (Mr. Winters) last week. In the first place his proposals would reduce the down payment required which should make eventual home ownership possible for a large number of young people. There is also a proposal for federal government assistance to the provinces and municipalities in providing serviced land. If our province acts, and the city provides the necessary serviced land, it will remove one of the chief obstacles in our housing program.

Since the war, the city of Edmonton has made commitments by way of land subsidies and tax subsidies to the wartime housing amounting to over $2 million. The new scheme provides for government-sponsored housing schemes, whether for sale or rent, paying full municipal taxes. This remedies an injustice and removes a heavy financial burden which has been placed on many cities across Canada. The minister is to be highly commended for his very constructive proposals. I was pleased to hear his statement that the government does not propose to enter the construction field directly. The conditions I have described as pertaining to Edmonton could be duplicated to a greater or lesser degree in practically every city in Canada.

During the depression of the thirties, the house-building industry practically went out of existence. There were many technical advances during that time such as insulation, modern plumbing fixtures and improved heating equipment. Many new techniques were developed; but, because of depressed economic conditions, it made little difference so far as the general public was concerned. The introduction of the National Housing Act brought about a general improvement in many provinces. The reduction in the interest rate at that time was a big help. The difference between 4½ per cent and 7 per cent, which was formerly the prevailing rate, on a $6,000 house means a saving of over $2,600 within a twenty-five year period.

Upon the outbreak of war the entire building industry was mobilized for war purposes. Barracks and emergency housing for war workers were built. These were produced at a speed which was thought impossible. There were, however, few private homes built until about 1944. The manufacturing and lumbering industries were still geared for war production and therefore many bottlenecks developed in the supply of building materials. Many of these scarcities have been with us until recently. It is only within the last few months that an adequate supply of building materials has been available. A high level of prosperity caused by the war and by wise government policy, contrary to the prophets of gloom, has been continued since the end of the war. It is without precedent and our economy still shows little sign of a recession. Our country is more prosperous than ever before in its history. More people are gainfully employed than at any time in our history. Our national income has more than doubled. The result is that the marriage rate is at an all-time high. Our housing industry has made a marvellous recovery since the war. We in Canada have produced more housing units, on a per capita basis, than has Great Britain or the United States. Nevertheless we have been barely keeping up with new family formations. There has been a vast improvement in the quality of housing during the last twenty years. The house of today is insulated, and is fully equipped with modern kitchen, bathroom and efficient heating equipment. In the short period of five years there has been a tremendous technical improvement both in materials and in contractors' equipment, and also in the planning of homes. The home of today is planned for use rather than for appearances. Costs are high, but I do not think anyone can successfully refute the statement that the general public today are better able to pay for housing than they ever before have been.

The minister's proposal should remove to a large extent the financial difficulties that have beset the house-building industry, and the emphasis is placed on home ownership. I do not believe that the average person in this country wants subsidies. All that the young people want is a chance to help themselves. Shelter is one of the necessities of life. We cannot escape it. We pay for the landlord's house or we pay for our own. The monthly carrying charges for a home under the National Housing Act, including principal, interest and taxes, is in most cases less than the rent for similar accommodation. Every payment adds to the purchaser's estate and in a few years he has become a home owner with all the advantages of a more satisfactory family life, which is reflected in the community life. I believe the new legislation will provide a solution to most of the problems besetting the industry, recognizing of course the fact that public subsidies may be necessary for those who, because of age, infirmity or extreme misfortune, are unable to help themselves. I am confident that if we are to accomplish the maximum production of housing necessary to provide decent shelter for all of the Canadian people, it can only be accomplished through the co-operation of the industry in all its branches, with all the governments, municipal, provincial and federal, participating.

Having regard to the greatly improved material and labour supply, I am confident that the industry, with the co-operation of the various governments, will during the next building season produce houses on a scale that was heretofore impossible. I hope to have a chance to speak on this housing bill when it is introduced, and I shall not take up more time at the present moment.

Before closing, I should like to say just a word about national unity. I am happy to be a member in this twenty-first parliament of Canada. During this parliament Canada will assume the full status of nationhood. With the inclusion of Newfoundland our family is complete. We have been greatly enriched, both materially and culturally. The spirit of true Canadianism which is personified in our esteemed Prime Minister is evident everywhere in Canada. Under his leadership I am confident that we are going forward to true national unity such as we have never before known. It is a privilege indeed to be here and to participate in the conduct of the national affairs of this country.

Mr. Paul E. Gagnon (Chicoutimi): I am pleased, Mr. Speaker, to congratulate you upon your recent appointment and I offer you my best wishes for success in the dis-

charge of your duties. To the hon. member for Roberval (Mr. Dion), who is Deputy Speaker, I extend my heartiest congratulations. I should also like to congratulate the mover and the seconder of the motion we are now discussing. Their initial efforts in this house justify the reputation they enjoyed before entering it. I am sure that a brilliant future awaits them in parliament.

(Translation):

Mr. Speaker, before the debate comes to a close, I wish to bring briefly to the attention of the government a question of some importance not only to my constituents but to the country at large: that of our foreign trade and its repercussions on the economic life of the kingdom of the Saguenay. As Great Britain has decided to reduce her imports at the expense of Canada, our country will this year export much less pulp, paper and aluminum. It is estimated that this reduction will amount to many millions.

Such a move on the part of England, towards whom we have always been extremely generous but who seems to forget it when it suits her, affects especially the economy of the riding I have the honour to represent in this house. As a matter of fact, the normal operation of the aluminum and paper industries of our district is essential to the prosperity of our population. To ensure the regular functioning of our plants, it is extremely important, it is even essential, that we have markets for our products.

Our legislators, in the past, neglected to set on a strong and permanent basis our trade relations with countries anxious to buy from us and most of the time looked to England who, most of the time, was looking elsewhere.

Here is the record: From January to September, 1948, Great Britain signed trade agreements with some twenty countries in Europe and in the western hemisphere. In March, Poland agreed with the United Kingdom to a bilateral trade agreement involving approximately £11,000,000, whereby Poland undertook to supply England, during a period of three years, with eggs, bacon, lumber and zinc.

A similar agreement had been signed, on the same date, with Finland who undertook to send pulpwood to England, amongst other items.

The treaty signed with Denmark in February brought to England increased supplies of butter, cheese, eggs and bacon. In April, following the usual negotiations, it was agreed that Norway would provide Great Britain with mine-timber, pulpwood, zinc, iron and steel alloys.

The agreement with Argentina provided Great Britain with corn, meat and lard. Following negotiations initiated in December 1947, England obtained, in September 1948, 500,000 tons of coarse grains from Russia.

I have summed up Great Britain's standard way of doing business.

During the war, when we supplied the United Kingdom with the foodstuffs and other products mentioned above or when we made gifts amounting to billions of dollars to enable the British to purchase those products, they did import them from Canada. Now that they have to pay for them, they buy them elsewhere. Our country has to find new customers.

The pattern of our trade relations has been upset, bringing about as an immediate result the devaluation of our dollar. Canada's great and only source of real prosperity lies, as we all know, in the exportation of our excess production. Apart from paper and aluminum, goods such as canned meat, woollens, dairy and agricultural products, as well as certain building materials, are in great demand in South American countries.

What, I ask the government, is preventing us from trading with the Latin-American countries?

I am in favour of signing air agreements with the different nations of the world and with any scheme designed to assist in the building of houses for our workers, as outlined in the speech from the throne. Above all else, however, I want jobs for our working classes and bread on the family table. That is the primary condition on which depends the happiness of our citizens. At present, there are thousands of unemployed in our district. People are worried.

In view of the fantastically high cost of living, they have every reason to fear winter's hardships. Since the dominion government moved to inaugurate a scheme of unemployment insurance, it must look after the jobless. That is a government responsibility. My constituents know it and will insist that the authorities provide them with the financial help they need to maintain their usual standard of living. During the last decade, we lived through a dreadful period of unemployment; we do not want that to recur. In order to prevent a recurrence of this calamity, in order to guarantee the stability of our industries, it is imperative that the government should find markets for our aluminum and our newsprint immediately. Unemployment insurance is all good and fine, but it is hardly a cure. On the other hand, the various government departments are aware that post offices and customs houses are lacking in Chicoutimi.

They are aware, too, of the repairs to be made to some wharves as well as to airports. I urge them to carry out these various public works in order to alleviate the present unemployment situation.

The people must not be led to believe that war is a national blessing, that it brings with it prosperity and abundance and that full employment is otherwise impossible. War is a calamity which must unfortunately be reckoned with at times, but whose occurrence should be viewed with the greatest misgivings.

Prosperity should prevail in peacetime, otherwise there is something wrong with our economic system.

If, in order to maintain our capitalist system, we are compelled every twenty-five years to witness periods of war bringing in their wake waves of temporary and artificial prosperity, then, indeed, the time has come to change our system or at least to amend it in its broader aspects.

When economic theories and doctrines are no longer able to fulfill the wishes and essential needs of the people, they must be laid aside. I am an exponent of private enterprise. I have faith in the initiative, the skill and the intelligence of our businessmen. I know that we owe part of the goods which we enjoy to the improvement of methods of production and distribution created and brought into general use by men of initiative, courage and willpower.

Nevertheless I fear that mechanism will bring unemployment, while reducing the income of the working classes.

Mr. Speaker, I have tried to acquaint the government with the present economic situation in my constituency. I hope that my remarks will command the attention deserved by the people of the kingdom of the Saguenay.

(Text):

Mr. A. Earl Catherwood (Haldimand): Mr. Speaker, in opening my remarks tonight I wish to say to you how greatly awed and overwhelmed most of us new members were when we came into this great chamber of the House of Commons. Because of that I would ask your indulgence for a few moments, and trust you will overlook any shortcomings that you may see in the remarks that I shall make. Naturally we are bewildered at the maze of rules and regulations that we have to apply in this house. I know that you will bear with us when I say to you that we hope soon to be able to distinguish between standing orders and orders in council, orders of the day and orders for returns. These things were almost impossible of understanding when we first came into the house but we are gradually beginning to see the light of day and in a few more weeks we hope to be able to take our places with you.

We are grateful too, Mr. Speaker, for the fact that so many of the older members have given us such a warm welcome on coming here. It has helped us a great deal to get our feet on the ground and we appreciate it very greatly indeed.

I should like to add my word of congratulations to the Prime Minister (Mr. St. Laurent), who is not in his seat tonight. I congratulate him on the magnificent victory which he achieved in the June 27 election. It was a great personal triumph. In saying that, I should not like to go as far as the hon. member for Temiscouata (Mr. Pouliot) went in eulogizing his leader, but I do wish him the best of health so that he may continue to lead the great party which he heads in this parliament.

I should also like to say a word about the new members of our party who have come into this house. The four hon. members who have already addressed this house have brought credit to our party. We have heard the hon. member for St. John's East (Mr. Higgins), the hon. member for St. John's West (Mr. Browne), and the two new members from Quebec, the hon. member for Labelle (Mr. Courtemanche) and the hon. member for Three Rivers (Mr. Balcer). These four gentlemen are members of the great legal profession. I, in common with many other people, have a great deal of respect for the legal profession. However, the constituency of Haldimand in the province of Ontario decided to send a new member from the agricultural community to represent them in this house. I am very happy as a farmer to represent that constituency.

I should like to say a word or two about the section of the country from which I come, the great garden spot of Canada. I make no apologies to the hon. member for Fraser Valley (Mr. Cruickshank) when I say this, because in the house the other day he commented on the wonderful peaches that we had in this house and said that they were on a par with those that come from British Columbia. Therefore I am happy to have the honour to represent that section in the province of Ontario.

In passing, I should like to make some reference to the constituency which I represent, Haldimand. It is mostly a rural constituency, but we have a number of towns in that county. We have the town of Dunnville, which has two large textile mills, and if the hon. member for Brant-Wentworth (Mr. Charlton) were not here tonight I would say that at Caledonia and Hagersville we have the two largest gypsum

lime and alabastine plants in the Dominion of Canada. We are also very proud of the magnificent war effort of the constituency from which I come. During the war we had four airfields which graduated many thousands of our young men who served in the various ranks of the air force throughout the war on the different fronts of the world. Next year we celebrate our one-hundredth anniversary. May I extend an invitation to every member of the house to visit us at that time. We have already invited the governor general, and if any hon. members would care to come we would like to show them the hospitality we can extend from our constituency.

May I at this point make reference to Mr. Mark C. Senn, the gentleman who formerly represented the constituency of Haldimand. I wish hon. members to know that we in the constituency of Haldimand have a great deal of respect and esteem for Mr. Senn, who represented that riding for almost three decades. We have every reason to be proud of the representation he gave us in the House of Commons during those thirty years.

With the exception of the former Prime Minister, and I believe the hon. member for Danforth (Mr. Harris), who came to the house about the same time, I believe Mr. Senn was the senior member. I am pleased to have many inquiries concerning his health. These inquiries come from every part of the house, and they are deeply appreciated. I shall convey your good wishes to him, and I know they will make him very happy indeed. I am pleased to report that his health is slightly improved and that he continues to watch with keen interest the proceedings of the House of Commons.

This evening I intend to say a few words with respect to the question of markets, in which farming people throughout the country are keenly interested. I have received many communications from farmers across Canada concerning this vital subject. Therefore with Your Honour's permission I shall take a few moments of the time of the house to discuss the matter.

We have read in the press and heard over the air in the past few months a great deal of comment about future markets for our agricultural products. We hope to hear from the Minister of Agriculture (Mr. Gardiner) before this debate is concluded just what our primary producers may expect in the way of markets in 1950.

During the ten-year period from 1939, our agricultural production in Canada was greatly accelerated. This was directly due to world war conditions, and as such it is only reasonable to expect some reduction in demand as European countries come back into production.

As the hon. member for Frontenac-Addington (Mr. Aylesworth) so ably brought to the attention of the house on April 27 of this year, the future outlook for Canadian agricultural markets appears to have receded beyond what many consider to be in the best interests of this country, and this very basic Canadian industry. During the ten-year period from 1939, we negotiated with the United Kingdom over 140 agreements for the purchase of various agricultural products. Today there are only four in existence, namely, wheat, bacon, cheese, eggs; and, with the exception of wheat, these are for very considerably reduced amounts.

While these agreements were in force, the price was in many instances below the prevailing world price, if such could accurately be determined, and at any rate was certainly competitive with what the same products could be purchased for elsewhere. During those years, little objection was expressed to the policy of selling to the United Kingdom below what was considered a world price, because it was hoped that by so doing we would retain these markets for our Canadian farmers after the war was over and when competition would become more keen.

These contracts also served as the support for farm prices in this country. Today that prop is rapidly disappearing. No indication has been given as yet whether or not the three remaining agreements, in addition to the wheat agreement, will be renewed after this year.

The *Financial Post*, in a dispatch by their own special correspondent who reported the Washington conference, stated in a story published on September 17 last:

> It is considered unlikely that Britain will renew her 1949 contracts for Canadian eggs, bacon and cheese.

While this may not mean that the United Kingdom will discontinue buying any or all of these items from Canada, it very clearly indicates that we can expect substantially reduced United Kingdom markets in 1950. Should such a situation actually materialize, it would be very serious for our Canadian farmers.

Our bacon contract for 1949 was for 160 million pounds, representing a very considerable reduction from the contract year 1945-46, when we shipped in excess of a billion pounds to the United Kingdom market.

This bacon market which Canadian farmers hoped to retain after the war has been reduced from year to year, until today it is a matter of question how much of this

market Canada will retain. Some months ago, Britain's food minister stated that the United Kingdom intended to purchase all the bacon, eggs, et cetera, that countries such as Denmark, Poland and Hungary could sell to them. This announced change of policy was followed by agreements for bacon with a number of countries including Denmark, Poland and Hungary, over periods of four and five years, extending up to 1953.

Since these agreements have been negotiated, giving these European countries a good portion of the British bacon market, other factors have arisen which may result in reduced sales of Canadian bacon in the United Kingdom market.

Similar uncertainty exists in connection with our United Kingdom market for cheese, our present contracts for 50 million pounds representing an amount lower than our shipments to this market in any one of the last fifty years.

Today, United Kingdom markets, formerly supplied by Canada, are being filled elsewhere under agreements negotiated within the past year. Australia and New Zealand now supply cheese under a contract which extends to 1955. Denmark, Holland, Switzerland and France have also in the last year become substantial suppliers of this commodity in the British market. Our present market for eggs expires this coming January. Last year this contract was reduced by 38 per cent from the adjusted 1948 figure. Since that time, under the bilateral trade agreements which the United Kingdom negotiated with European and other countries, Poland, Denmark, Holland, Eire, and Australia have all become suppliers in this market under contracts, one of which, with Poland, extends until 1954.

Is it any wonder that our farmers are concerned about future United Kingdom markets for these and other agricultural products? This concern, which is very widely felt, arises not alone from what has happened to these contracts in the past few years, but largely from indications of what the future may hold.

Some months ago the United Kingdom announced its intention to cut purchases from the dollar area by one quarter. Has the Minister of Agriculture yet been able to ascertain whether or not this announced policy to reduce imports by one quarter will apply to the few remaining or existing food contracts?

Just recently, I noticed a press report to the effect that the United Kingdom officials had informed the continuing committee on Anglo-Canadian trade that the recent devaluation of sterling will have little immediate bearing on previous intentions to cut purchases in the dollar area by one-quarter.

Since the United Kingdom announced its intention to cut imports from the dollar area, a five-year trade pact with Czechoslovakia has been signed, amounting to $340 million, including foodstuffs and other goods that in the past came chiefly from Canada and the United States.

It is also reported that the United Kingdom is at present negotiating trade agreements with Yugoslavia, Hungary and Russia, all of which involves goods, chiefly primary products, formerly purchased from Canada.

These new trade agreements, along with bilateral deals now in existence with Poland, Denmark, Hungary, Russia and other countries, constitute a threat, and a very serious threat, to the future markets, particularly of the primary producers of this country.

During the past ten years our food contracts with Britain have, with the exception of wheat, been largely for periods of one year. Contracts with other countries such as Poland, Denmark, Holland, Czechoslovakia and other countries, have been for periods of up to five years. While there may have been some advantage in annual negotiation of these contracts, the fact remains that we now find ourselves with a very materially reduced number of contracts, all but one of which expire at the end of this crop year.

Today we enter into the question of new contracts, at a time when the United Kingdom has negotiated bilateral deals with several countries for the supply of primary products formerly purchased from Canada. In addition to this there is the question of price. Many of these countries which today have long-term bilateral agreements with the United Kingdom have devaluated their currency in close relationship to the devaluation of the British pound. As a result, our ability to sell in the United Kingdom markets will have to meet competition not only from the many bilateral deals now in existence, but as well from the question of price and any advantage which may accrue to these European countries as a result of devaluation.

I bring this matter to the attention of the house at this time in the hope that the Minister of Agriculture (Mr. Gardiner) will at the earliest opportunity make a statement to parliament and to the country as to the future outlook for agricultural markets.

I make this suggestion because I believe it to be in the interest of the farmers of this country who today face a crisis on the question of future markets, notwithstanding the fact that no cabinet minister has to date participated in this debate.

At the present time the situation is not as serious perhaps as the facts would indicate,

but this in no way lessens the potential dangers ahead. The production of agricultural products is not something that can be turned off and on again like an electric switch. Our farmers require to know well in advance what possible markets exist in order that they may plan their year's production. Up to the present we have been able to sell much of our surplus production in the United States of America and this has served to defer the crisis which otherwise would have arisen as a result of markets lost in the United Kingdom.

Today we can no longer ignore the fact that we have a similarity of production with the United States and indicated surpluses in that country no longer provide our farmers with any assurance of markets in that direction.

In the past our food contracts with the United Kingdom have been a prop for prices in Canada. The question now is: Will the existing contracts be renewed, and at what price? Is there any prospect or possibility of regaining for the farmers of this country markets in the United Kingdom for those goods which we supplied in such large quantities during the past ten years?

The speech from the throne indicates:

> The government is seeking by all appropriate means to co-operate in measures to restore economic equilibrium. The achievement of a pattern of world trade in which the trading nations can operate together within one single multilateral system continues to be the ultimate aim of my government.

I hope that the minister will take these facts into consideration, because these things are of vital concern to our farming people, and I hope also that the minister will be in position to advise this house and the people of Canada at the earliest possible date so that the farmers of Canada may know just what to expect in the future in regard to markets.

Mr. J. W. Welbourn (Jasper-Edson): Mr. Speaker, in rising to take part in this debate may I be allowed to congratulate the Deputy Speaker upon his elevation to that office, and furthermore I should like to compliment you upon the very able and dignified manner in which you are fulfilling your duties. I should like to join with other hon. members in complimenting the hon. member for Nicolet-Yamaska (Mr. Boisvert) upon the fluent and capable manner in which he moved the acceptance of the speech from the throne and also the hon. member for Vancouver South (Mr. Laing) who so very ably seconded the motion. I must say that some of us, particularly those of us who are new, find our positions complicated further by the realization of the fact that we are following two such outstanding speakers as the two hon. gentlemen I have just mentioned.

[Mr. Catherwood.]

At this point I should like to take it upon myself to reply to a statement made by the hon. member for Red Deer (Mr. Shaw). I do this because I object to the inference that has been left with the house in connection with my colleague, the hon. member for Vegreville (Mr. Decore). I have known the hon. member for Vegreville for many years and I have no hesitation whatever in stating that there is no greater opponent of communism in this house than he.

Some hon. members have taken advantage of this debate to give the house some information regarding the constituencies that they represent, and I am going to follow that practice. The constituency of Jasper-Edson, which I have the honour to represent, is in my opinion the finest constituency in Canada. Situated as it is in the west central part of Alberta, it extends from just outside the outskirts of the city of Edmonton for a distance of 275 miles west to the boundary of British Columbia. Jasper-Edson is bounded on the south by the Saskatchewan river and it extends north to Chisholm Mills on the Athabasca river.

In the east and northeastern parts of the constituency we have some of the finest agricultural land in western Canada, admirably suited to mixed farming and the growing of grass, clover and alfalfa seed. I speak from personal knowledge of this area as my father homesteaded a few miles west of Edmonton in the year 1892, and in that particular area there has never to this date been a crop failure. Also in the constituency immediately west of Edmonton is located the Woodbend oil fields with the now world famous Schoepp No. 1 well which has the greatest depth of oil-bearing strata ever found in an oil well. This is just seven miles from my old farm. Crude oil from this field is flowing by pipe line, truck and tank cars to the various refineries in western Canada.

In the central part of the riding there are vast areas of timber where millions of feet of lumber and many hundreds of thousands of ties are cut every year. In this area as well are deposits of coal that are apparently inexhaustible and on the coal branch the very finest grades of steam and domestic coal are produced. I read in a recent Ottawa paper that coal, advertised as American coal, is being sold here in Ottawa at $24 to $25 per ton and yet a few months ago one of the old established mines at Mountain Park closed down because of lack of orders for their products. I would urge the Minister of Transport (Mr. Chevrier) to give serious consideration to the problem of devising ways and means of placing western coal in the bins of the consumers in this part of the dominion.

There are several well developed summer resorts in Jasper-Edson. The Seba and Kapasiwin beaches on lake Wabamun and Alberta beach on lac Ste. Anne are all within easy driving range of Edmonton and are patronized very extensively by the residents of that city. In the two lakes I have just mentioned, as well as in other lakes in that area, commercial fishing is an industry that brings a very substantial revenue to the residents of the constituency. The whitefish that are taken from the waters of lake Wabamun are recognized as the finest in Canada.

We all know and appreciate the value of tourist traffic to the economy of this country. In fact it has developed into one of the greatest industries in Canada, and in Jasper national park we have an attraction for tourists that is second to none in the dominion.

The town of Jasper is situated in a valley surrounded by towering snow-covered mountains, with many lakes and streams, well stocked with trout. It forms a setting that many tourists return to year after year. Adequate accommodation is provided both at Jasper Park lodge, the modern hotels in the town of Jasper and many attractive bungalow cabins. The dominion government maintains a large and up-to-date fish hatchery in Jasper for the purpose of restocking the lakes and streams to provide sport for the tourists. The number of tourists visiting Jasper park has been increasing steadily each year, and nearly twice as many visited there in 1949 as in the previous year. The number of tourists will be very greatly increased if and when there is a suitable surfaced road leading to and from Jasper park. The residents of Jasper-Edson, particularly those of Jasper town, are vitally interested in the proposed trans-Canada highway. We of Jasper-Edson feel that the first trans-Canada highway should be constructed through Edmonton, Jasper and the Yellowhead pass, and although I realize that the choice of the route has been left to the provincial governments, I believe that, in view of the very large sum of money involved, the possible importance of this road from a military and defence standpoint, and the economy of construction and maintenance, an effort should be made to have the various provincial governments agree to the setting up of a fact-finding board and that they, the provincial governments, will agree to the recommendations of such a board, and furthermore, that at least one member of that board should be a qualified military engineer.

I have tried to give you a brief description of the great constituency I represent. I am very happy and very proud that on the 27th of June the electors of Jasper-Edson did repudiate the theories and doctrines advanced by the Social Credit party and voted in favour of the policies of the Prime Minister (Mr. St. Laurent) and the great party he so ably leads.

Motion (Mr. Boisvert) agreed to, on division.

Hon. Alphonse Fournier (Minister of Public Works) 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.

MEAT PACKING INDUSTRY

WORKS AND UNDERTAKINGS DECLARED TO BE FOR THE GENERAL ADVANTAGE OF CANADA

Mr. Alistair Stewart (Winnipeg North) moved the second reading of Bill No. 5, to declare the meat packing industry works for the general advantage of Canada.

He said: Mr. Speaker, a bill identical to this was introduced two sessions ago, in the last parliament, and was adopted. It had to do with the Hudson Bay Mining and Smelting Company, which carries on operations in Manitoba and Saskatchewan; and for very obvious reasons the house saw fit to adopt that legislation.

The purpose of this bill is quite simple. As I said when introducing the legislation, the purpose is to bring the meat packing industry under the Industrial Relations and Disputes Investigation Act so that if a dispute should occur with respect to any matter of collective bargaining, the federal Department of Labour will have power to step in and try to conciliate the dispute. The department has done this in the past; it has been very successful in its endeavours, and deserves much credit for what it has achieved.

The meat packing industry is of importance to all Canadians; it is important to the workers in industry, to the producers who supply the livestock, and of course to all of us as consumers. I suppose most hon. members remember the last strike that took place in the industry, in 1947. On that occasion two groups suffered most: the workers, through loss of income, and the producers who also suffered a loss of income because they were unable to market their livestock. That dispute began with Swift Canadian Limited, and it continued for two weeks. Had the federal department had the power to intervene, I am quite sure this dispute could have been settled. As it was, it lingered on for two weeks and then spread throughout the industry. In no small measure, settlement was delayed by the refusal of Swift Canadian to arbitrate the dispute, in spite of their being requested to do so by the Canadian Federation of Agricul-

ture and various provincial governments. While I have said the workers and producers suffered during that strike, according to the evidence submitted to the prices committee it would appear that the companies did not do so badly in the long run, for they made more money in the two months following the strike than they made in the previous eight months. The reason for that is fairly obvious; there was a glut of livestock on the market, and we had a population which to a certain extent was meat starved.

There are three major meat packing companies in Canada: Canada Packers, Burns and Swift Canadian. The policies of these three companies are directed from their head offices. I have no quarrel at all with that; but that being so, of course the union had to constitute itself in such a way that it could deal efficiently with the employers; so the bargaining powers of the union also are concentrated. Bargaining on a national basis was first accepted in 1944, when there was a dispute in the meat packing industry. At that time the federal Department of Labour stepped into the picture under the War Measures Act and appointed a conciliation commissioner, who assisted in no small measure in the settlement of the dispute. The same thing happened in 1945 and in 1946, when the federal department was able to bring about an amicable settlement. In 1947 jurisdiction over most labour matters was returned to the provinces, and we had a different situation. While the united packing-house workers were continuing to deal with the employers on a national scale, because of provincial jurisdiction there was no national authority to which they could apply for help in arriving at a settlement. The union, therefore, was compelled to go to eight different provinces with the inevitable result. It would be almost as logical to expect the railway brotherhoods to go to the eight provinces to find some amicable settlement in one of their disputes. I am certain that this unworkable situation was in no small way a cause of the 1947 strike and of the undue delay in settlement.

If negotiations on a national scale fail to resolve differences, there is no provision for conciliation at the top level today. As I say, conciliation has to take place through the various provincial governments if any settlement is to be reached. The consequences are as obvious as they are serious. Today, in its agreement with two of the major companies, Canada Packers and Burns, the union has a clause containing a provision for the mediation of disputes before a strike vote is taken. Thus, we see the industry recognizes the need for national collective bargaining, and believes it to be the most effective way of bargaining. Past experience has shown that peaceful settlements can be reached on a national scale, whereas on a provincial scale there has been conflict, with eventual strikes. No one, of course, wants to see that. The differences between the union and the companies in 1944-45 were much greater than those which exist today. If the federal Department of Labour could bring about a peaceful settlement of these differences, then I am convinced it could do so now if workable machinery could be made available for use in the event of a breakdown of negotiations. Agreements would then be reached quickly and efficiently. If that happens, then Canada will be spared the expense as well as the annoyance of a strike in this important industry. It is for that reason I am anxious to see this industry placed under the Industrial Relations and Disputes Investigation Act. I am certain the results would be of benefit and to the general advantage of Canada as a whole.

(Translation):

Mr. Maurice Bourget (Levis): Mr. Speaker, the purpose of the bill introduced by the hon. member for Winnipeg North (Mr. Stewart), as stated in the explanatory note, is to make that part of the meat packing industry which carries on operations in two or more provinces subject to paragraph (g) of section 53 of the Industrial Relations and Disputes Investigation Act. This means that if this bill is approved by the house, the federal Department of Labour shall have complete jurisdiction in future collective bargainings concerning the employees of those industries as well as in labour disputes which may arise.

May I be allowed to point out at this time that the hon. member for Winnipeg North, who is the sponsor of this bill, wanted to show his appreciation—undoubtedly without realizing it—to the Liberal government, to the distinguished Minister of Labour (Mr. Mitchell) and his departmental officials for the efficient and unprejudiced manner in which they all discharged their responsibilities during and after the war.

We of the Liberal party accept with pleasure that compliment, but that is all we can accept under the circumstances.

The hon. member for Winnipeg North said a while ago that the bill in question is very simple. He was probably referring to the fact that it is short and plainly worded. It is however fraught with far-reaching consequences, especially in so far as provincial autonomy is concerned.

Since confederation, the provinces have always exercised their jurisdiction in the industries mentioned in Bill No. 5, although that jurisdiction is not specifically assigned

to the provincial legislatures, under section 92 of the British North America Act. As for myself although I am not an expert in constitutional law, nor even a lawyer, I understand that, by tacit consent, the right has been granted the provinces to legislate on and to intervene in collective bargaining and labour disputes that might arise in the meat packing industry.

If the house were to pass this bill dealing with the industries I have referred to, we would, by that very fact, admit the principle that any industry or business operating in two or in several provinces, could, at the request of a member of this house and following its approval, come under the jurisdiction of the federal government.

Mr. Speaker, I believe that the Liberal party, having always upheld the rights and autonomy of the provinces, cannot accept the bill presented by the hon. member for Winnipeg North. As I said a few moments ago, that bill would encroach upon powers which the provinces have always exercised themselves, except in especially serious circumstances such as war, when the security of the state might be jeopardized. It is true that in certain quarters we of the Liberal party have been accused of having violated on various occasions that often-mentioned autonomy. For my part, Mr. Speaker, I still have to hear in this house or outside a single orator prove, with evidence in support of his allegations, that the Liberal party has taken away from any province a single power guaranteed to it under the constitution. Efforts were made, even during the last election, to bring the people to believe that provincial autonomy would be in danger if the Liberal party were returned to power. But, as was seen, the great majority of the people did not believe those false prophets and showed by a nearly unanimous vote, that they had full and complete confidence, on this point, in the honesty of our distinguished leader, the right hon. the Prime Minister (Mr. St. Laurent) and of his candidates.

Besides, without giving any thought to the political advantage which he could have derived thereby, the Prime Minister said himself when, on September 16, he tabled the letter he had written to the provincial premiers:

> Before the recent election I stated on several occasions that it was the view of the government that a method should be worked out to amend our constitution in Canada, and that any such method should include the fullest safeguards of provincial rights and jurisdiction, and of the use of the two official languages and of those other rights which are the sacred trust of our national partnership.

This goes to prove that the electors were right in trusting the man whom they have chosen as their leader.

Moreover, as regards the bill which is now before us, the provinces can, if they so desire, come to an understanding with the dominion Department of Labour, with a view to reaching an agreement whereby the officials of that department could assume the administration of the provincial legislation.

In practice, this means that the provinces may, whenever they wish, ask for the cooperation of federal civil servants. This agreement is made possible by virtue of section 62 of the Industrial Relations and Disputes Investigation Act:

> Where legislation enacted by the legislature of a province and part I of the act are substantially uniform, the Minister of Labour may, on behalf of the government of Canada, with the approval of the governor in council, enter into an agreement with the government of the province to provide for the administration by officers and employees of Canada of the provincial legislation.

It is obvious, then, that the provinces, whenever they so require, may at any time, pursuant to an agreement, have the cooperation of the employees of the federal Department of Labour.

Under the circumstances, Mr. Speaker, for the reasons I have given and more especially in order to protect the rights of the provinces, I am unable to agree to the bill introduced by the member for Winnipeg North and I shall accordingly vote against it.

(Text):

Mr. J. H. Dickey (Halifax): The objections, Mr. Speaker, to the bill which has been proposed by the hon. member for Winnipeg North (Mr. Stewart) are extremely simple and obvious, and they have an importance which has nothing to do with the question of the relationship between employers and employees in the meat packing industry in Canada or in any other industry. The bill proposed by the hon. member is to amend section 53 of the Industrial Relations and Disputes Investigation Act, an act to provide for the investigation, conciliation and settlement of industrial disputes, assented to on June 30, 1948, and which is chapter 54 of the Statutes of Canada, 1948.

When we read the section which it is proposed to amend, we see the real objection to the amendment proposed. Section 53 is the section which deals with the application of the act, and it reads as follows:

> Part I of this act shall apply in respect of employees who are employed upon or in connection with the operation of any work, undertaking or business that is within the legislative authority of the parliament of Canada including, but not so as to restrict the generality of the foregoing—

And then are set out certain subsections which delineate certain of the undertakings or businesses within the legislative authority of the parliament of Canada to which the

act applies. The purpose of the amendment is to add, by declaration of this parliament, a certain business or undertaking as a work for the general advantage of Canada or for the advantage of two or more provinces.

As this country is a federal state, there are certain limitations upon the legislative authority of this parliament, and they are those set out in our constitution, the British North America Act, which lays down a division of authority between this parliament and the legislatures of the various provinces. When we say that there is a limitation upon the power of this parliament, that does not mean that this parliament is not free to pass any sort of legislation which it may see fit to pass; but there is a limitation on the effectiveness of that legislation by reason of the fact that if this parliament sees fit to pass an act which infringes upon, or tries to take away any of the authority which, by the constitution, is given to the provinces, that act is ineffective in spite of the fact that it is passed by this parliament because it will be declared ultra vires when submitted to the courts. We are therefore free to pass an amendment of this kind if we see fit to do so; but by so doing we cannot make it effective. Therefore, in reviewing any legislation which comes before it, it is one of the responsibilities of this parliament to see that such legislation is within its competence. Otherwise, in passing it we are doing an empty act, something which will in the end be found to be completely ineffective.

In the field of relationships between employers and employees in this country, the parliament of Canada is competent to deal with matters for which no better description exists than that which is contained in the preamble of section 53, which I have already read, namely, matters within the legislative authority of the parliament of Canada. If a matter is not within our legislative authority, Mr. Speaker, we cannot effectively pass any legislation dealing with it.

Mr. Stewart (Winnipeg North): Will the hon. member permit a question?

Mr. Dickey: Certainly.

Mr. Stewart (Winnipeg North): Is the hon. member arguing that the legislation passed by this house concerning the Hudson Bay Mining and Smelting Company Limited, and which is precisely similar, is also ultra vires?

Mr. Dickey: That is a question which, if there is any doubt about it, should be referred to the courts. I am not a court and I do not propose to make any decision in that regard.

Mr. Knowles: The minister brought in that legislation.

[Mr. Dickey.]

Mr. Mitchell: By consent of the province.

Mr. Dickey: If it was by consent, then the provinces withdrew. That is a different situation. I do not think there has been any suggestion that any consent had been given by the provinces to the amendment that has been proposed by my hon. friend.

But, Mr. Speaker, that is the situation in the field of labour relations. The preamble of this section is the operative part of it. Hon. members who were members of the industrial relations committee of the last parliament which considered the clauses of this bill will recall that when this particular section was before the committee it was in a slightly different form from that in which it now appears in the bill. The preamble was shorter, and the provision with respect to the limitation "within the legislative authority of the parliament of Canada" appeared as one of the subsections of the suggested section.

The section as it then stood was thoroughly discussed in the committee and on the motion of the hon. member for Calgary West (Mr. Smith) it was amended. The amendment was agreed to by the Minister of Labour (Mr. Mitchell), and the section was redrafted in the form in which it now stands. As the result of the present form of the section, the operative words "within the legislative authority of the parliament of Canada" affect the whole meaning of the following subsections of the section, and these subsections are merely in the act to indicate the various activities which are within the legislative authority of the parliament of Canada, either by direct legislative authority in the constitution or as a result of judicial decision in constitutional cases where the provisions of the constitution, the British North America Act, have been interpreted. The various matters are there set out. The proposal is to add to these matters the particular industry of meat packing.

The situation is this, Mr. Speaker. Whether or not this house sees fit to pass the proposed amendment, it will not in itself put the meat packing industry, or any other industry, within the legislative capacity of the parliament of Canada. I personally do not think it can reasonably be argued that the meat packing industry is an industry which should come under the legislative authority of the parliament of Canada as opposed to the provinces, any more than a half dozen other industries that one could name, for example, the creamery industry or the farming industry, or any industry that is carried on in the majority of the provinces of this country.

I submit that in passing this amendment we would be doing an act which would be

found in the result to be completely ineffective, and we would be found to have attempted to legislate in a field which is closed to us by the constitution. I think that is the most important aspect of this question.

The relationships between the central government and the provinces are matters which have to be dealt with with great care, and this parliament should not knowingly and intentionally infringe upon any of the legislative fields which have been assigned to the provinces, without the consent of the provinces affected. We have heard a great deal, not only in this session but during the last session, about provincial rights and consultation with the provinces. This is clearly a case where the passage of this amendment would be an infringement of provincial rights, the invasion by this parliament of a field which has always been clearly understood to be within provincial jurisdiction.

The arguments which were made by the hon. member in introducing his bill may well be arguments which should be considered by a body which is representative of all the parties concerned and is dealing with the question of amendment of the constitution or of assigning to the central government, the federal parliament, certain powers, which under modern conditions it needs. But the fact is that the federal parliament has not now the authority to invade this field, and without the consent of those who have the field I submit that we have no right to invade it.

Perhaps the hon. member will have an opportunity to make his submissions to a body which will consider the arguments he has put forward, apart from their connotation in this instance. I submit, however, that this parliament has to consider its position as a legislative body with restricted powers and the responsibility, greater perhaps than it might have had even in the immediate past, of seeing that we do nothing which might be interpreted as an intentional and complete invasion of a field which has been dealt with by the provinces in the past. For these reasons, Mr. Speaker, I submit that we should vote against the bill to amend the act which has been proposed by the hon. member.

(Translation):

Mr. Philippe Valois (Argenteuil-Two Mountains): Mr. Speaker, this is the first time I have the honour to make a speech in this house. I do so in order to carry out my mandate. I hope you will allow me to depart somewhat from parliamentary procedure. I wish to offer you, in my turn, my most respectful congratulations upon your appointment to the speakership of this house. I feel sure it has been a happy choice, one that does you honour and will ensure the house a worthy Speaker under whom parliament can work for the good of the nation.

Mr. Speaker, we are now considering a bill introduced by the hon. member for Winnipeg North (Mr. Stewart) to amend section 53 of the act appearing in statute 11-12 George VI, chapter 54, and entitled "The Industrial Relations and Disputes Investigation Act". That title is so clear that it speaks for itself.

Section 53, which the bill would amend, contains the very provisions designed to determine the administration of the act.

The proposed amendment would broaden the scope of the act to include certain packing houses and related industries which would then come under the sole authority of the federal government in matters of industrial relations and disputes.

Mr. Speaker, if I may use a familiar phrase, everyone should stick to his trade. I do not propose to question, at this stage, the advisability of the bill under review. I know that the matter of the strike in the packing industry will be brought up. If, however, I were to venture upon this ground I would only be heading for disaster. In my humble opinion, at first glance, this legislation may appear restricted in its scope, but it could establish a precedent whose full implications I am at the moment unable to foresee.

The fact is, Mr. Speaker, that this section 53, which it is proposed to amend, is worth reading. It will be found to be an almost textual reproduction of the terms of the constitution, that is the British North America Act, 1867, especially paragraph (g) of section 53, which reads as follows:

(g) such works or undertakings as, although wholly within a province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces;

That should be compared with the following paragraph (c) of subsection 10 of section 92 of the B.N.A. Act. But first, so that we may have a better understanding of the text, I quote the heading of subsection 10, as follows:

10. Local works and undertakings other than such as are of the following classes:

And paragraph (c):

(c) Such works as, although wholly situate within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

We must therefore conclude that the Industrial Relations and Disputes Investigation Act is couched in such terms, the very terms of the constitution, that it is intra vires in that it scrupulously respects the rights of the provinces in matters of this nature. I

submit, humbly but with the utmost conviction, that the separation of legislative powers is one of the keystones of our constitution. To me it would be rash to invade this field unless every precaution which human wisdom can foresee had been taken.

I admit that paragraph (c) of subsection 10 of section 92 of the British North America Act which I have just quoted could, after summary consideration, provide an easy and expeditious solution. I feel, however, that the remedy suggested by the hon. member for Winnipeg North is worse than the evil he is trying to cure.

This is a rather strange fact, but I believe I can vouch for its absolute veracity: the provisions of paragraph (c) of subsection 10 of section 92 were never resorted to when our country was faced with the many problems which the conduct of the war brought to our attention with an impatience that would tolerate no delay. If the federal government invaded legislative fields belonging to the provinces, it did so when faced by the imminent danger of war by referring to section 91 of the constitution. I am prepared to admit, for the sake of discussion, that it may be that the federal authority is better prepared than are the provincial governments to deal, for instance, with certain labour disputes. However, it would be necessary to investigate the devices to be sought in an agreement with the provinces. But deliberately, in one fell swoop, might I say, to assume a legislative power hitherto exercised by the provinces would not only be high-handed but, to my mind, at a time when precisely there are disputes regarding the separation of legislative powers between the federal government and the various provincial governments, it would be provocative. Nay, it would be setting fire to the powder kegs.

Not for a moment, Mr. Speaker, do I wish to impugn the good faith of the member from Winnipeg North; not for a moment would I gainsay the commendability of his intentions. However, being a Liberal, I attach great importance to provincial autonomy and I therefore feel it to be my duty to warn the house against this bill whose surest and almost inevitable effect would be to create a dangerous precedent which, in time to come, would provide the federal government with a convenient means to gather unto itself legislative powers which the constitution has reserved exclusively to the provinces.

Mr. Speaker, I am wondering why, with the inadequate means at my disposal, I have made so bold as to take part in this debate. I have found the means to do so in my conviction that the Liberal creed has as a basic tenet a claim to total autonomy for the national government in its own field and, at the same time, a claim to complete autonomy for the provinces. That is why I wish to warn the house against adopting this amendment which would create a precedent through which, I believe, the autonomy of the provinces would be forever threatened. I feel sure that in wishing to improve a certain state of affairs, the member for Winnipeg North has not considered all the consequences of his amendment. I would therefore ask him not to give up the object which he has in view, but to choose some other method whereby, while achieving it, he will not be creating the precedent which would otherwise follow its approval by this house.

(Text):

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, it was not my intention to speak on this bill until I heard the junior member for Halifax (Mr. Dickey) lay down the law on the question of the jurisdiction of this parliament. I do not know what effect that hon. member had on members of the house who understand the law, or perhaps I should say who are trained in the law; but certainly his argument that this parliament cannot, if it wishes, pass the bill now being debated cannot be accepted as valid.

Then, the point he made in conjunction with the Minister of Labour (Mr. Mitchell), that in the Hudson Bay mining case the province had given its consent, is surely not good law.

Mr. Mitchell: I should have said "at the request of the province".

Mr. MacInnis: Even "at the request of the province". It would be no more legal at the request of the province than if the province had not requested it. If it is a matter within the jurisdiction of a province, as I understand the British North America Act, the province cannot delegate its powers; otherwise a case could be taken into court at any time by any other government, because the government of Manitoba today may not be the government of Manitoba tomorrow. Consent of that kind by the province does not vary the provisions of the British North America Act.

The dominion government does do things not authorized under the British North America Act; but there are such things as assistance with old age pensions and payment of family allowances, matters concerning which no province nor any person within a province is going to raise an objection. When we had an issue such as unemployment insurance it was not only necessary to get the consent of the provinces; it was necessary to have an amendment to the British

North America Act to confer upon the dominion government the right to establish unemployment insurance.

Mr. Mitchell: May I say this to my hon. friend—

Mr. MacInnis: The minister knows, if anything, less about the law than I do; and he may demonstrate his ignorance to the house in the time available to him, because I am sure it is the intention to talk the measure out. So will the minister kindly not interfere with me at the present time.

The point I am making is that while this may not be good legislation, yet it is legislation which it is certainly within the competence of the House of Commons to pass. Section 92, subsection 10, was quoted by the hon. member who preceded me. I could understand what he was quoting, but I could not understand what the arguments were which he based on it. Section 92 of the British North America Act sets out the exclusive powers of provincial legislatures and subsection 10 reads:

> Local works and undertakings other than such as are of the following classes:—
>
> (c) Such works as, although wholly situate within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

It is competent for this parliament to pass legislation stating that any work is for the general advantage of Canada, and that is what the hon. member for Winnipeg North (Mr. Stewart) is asking this house to do. If this house does not wish to pass it, that is one thing; but it is sheer poppycock to say that this parliament has no right to pass it.

Mr. W. F. Carroll (Inverness-Richmond): Mr. Speaker, I did not have the pleasure of hearing the remarks of the hon. member who introduced this bill, but I think I can agree that the reasons for its introduction are perfectly legitimate and proper, that is, if the hon. member wants the labour laws of this country to be uniform as far as they affect those great industries which employ large numbers of work people. If that is his object, and I think it is, then I am in hearty agreement with him. The time has come, as a matter of fact it has long passed, when something should be done, either by amending the British North America Act or through other legislation, to give the Department of Labour at Ottawa jurisdiction in connection with labour difficulties and other labour matters affecting the large industries in this country, especially those which operate in more than one province.

I remember when I was chairman of a committee of this house which sat some years ago. Another member of that committee was a gentleman who has since passed away. He was a gentleman for whom I had the highest regard and I think he had some regard for me after we became acquainted. For years the provincial governments of our provinces —I refer to both Liberal and Conservative governments—had taken the stand, when a labour union or a group of men went to them to ask for the passage of laws with regard to the hours of labour in a particular industry, that that was a matter for the dominion parliament. Then when they would come to the dominion parliament they would be told that hours of labour and that sort of thing were matters over which the provincial legislatures had jurisdiction. Both governments were right, but the unfortunate thing was that the labour people of this country were led around for years in connection with the eight-hour day.

The late Mr. Woodsworth brought these facts to the attention of our committee and one of the recommendations of that committee was that a case be presented to the Supreme Court of Canada. Anyone who knew anything about the law knew what the law was, but there was a need to define the jurisdiction of the dominion and the provinces in connection with hours of labour. Unfortunately the minister of labour of that time combined with that reference a reference concerning matters which were under consultation at the Geneva conference. There was never any doubt that jurisdiction rested with the provincial legislatures concerning local matters and with this parliament concerning dominion matters such as railroads and so on.

I do not know whether the hon. gentleman who spoke last is a lawyer, but I am in agreement with him. I submit that this parliament has the jurisdiction to pass the bill introduced by the hon. member for Winnipeg North. That power is given to this parliament by section 92, subsection 10, paragraph (c) of the British North America Act, which the hon. gentleman quoted. But even though this legislation is enacted I doubt if it would meet the intentions of the hon. member who has introduced it.

Section 92 outlines the exclusive powers of the legislatures of the provinces. The subsection quoted by the hon. gentleman gives this parliament the power to pass this legislation, but this parliament would have no right to hand over any civil rights. That cannot be done when it is purely a question of civil rights. There is another section in the British North America Act which I have often thought should be more widely used. I refer to section 94, which reads:

Notwithstanding anything in this act, the parliament of Canada may make provision for the uniformity of all or any of the laws relative to property and civil rights in Ontario, Nova Scotia, and New Brunswick, and of the procedure of all or any of the courts in those three provinces, and from and after the passing of any act in that behalf the power of the parliament of Canada to make laws in relation to any matter comprised in any such act shall, notwithstanding anything in this act, be unrestricted; but any act of the parliament of Canada making provision for such uniformity shall not have effect in any province unless and until it is adopted and enacted as law by the legislature thereof.

After this act was passed there were four provinces; but the province of Quebec is not included under the act. In other words the province of Quebec was not given power even to adopt the laws on property and civil rights that might be passed and handed on by the parliament of Canada. There was very good reason for that. The civil law of the province of Quebec was not the same as the civil law of the other provinces, at least at that time.

When I was in this house previously, so many years ago that if I were to tell you how long you would think I was a decrepit old man, I had hopes of getting this parliament to pass legislation on civil rights as far as they concern labour, which would afford the provinces an opportunity of accepting and adopting those laws. In other words, I would have had parliament pass the law and let the provinces adopt it if they wished. It was always pointed out that after all this would not be such legislation as the creators of the British North America Act had in view, though I do not agree with that contention. Today, however, I believe it is still open to the parliament of Canada to pass a general labour law and let the provinces adopt that law if they wish to do so. Of course Quebec could not do that, because under the British North America Act it was not given power to adopt such legislation.

I am not opposing the principle of this bill, but I think the time must come when legislation will have to be passed to make the labour laws of this country uniform, not only with regard to the meat packing industry or any other special industry but with regard to all large industries that have their location in more than one province. That would be fair to labour and fairer still, I think, to industry if only they would look at it in the right way, though of course I do not know how they would look at legislation of this kind. But even if this parliament passed this bill tonight, I do not think we would achieve the purpose the hon. member has in mind. We have the jurisdictional power to pass such legislation. That is given in the very labour code which has been adopted by this house.

Paragraph (g) of section 53 cites verbatim the very words quoted by my hon. friend from the British North America Act. So I do not think there can be any doubt that parliament has the power, as far as legislative jurisdiction is concerned, to pass a bill of this kind tonight or any other time.

As I say, however, I do not believe the adoption of such legislation would meet the purpose—and it is a very good purpose—of the hon. gentleman who introduced the legislation. I do not think that would produce what he wants to produce. If the time comes when this government will undertake to consult the provinces in regard to matters over which the legislatures have jurisdiction in order to bring about some compromise, and if I am in this house, I shall be one hundred per cent behind the hon. member and others who may support such legislation. At the proper time I shall certainly be in favour of legislation that will bring all large industries doing business in more than one province under the jurisdiction of our labour code.

Mr. Knowles: I am sure we have all followed the argument of the hon. member with interest, and before he sits down I should like to ask one question. If as he contends the property and civil rights references in the British North America Act would prevent my colleague's amendment from becoming effective in the various provinces, why is it that the property and civil rights clauses do not prevent the labour code from applying to such an industry as our railways?

Mr. Carroll: Because the British North America Act gives this parliament jurisdiction over the railways of this country.

Mr. Knowles: The same section?

Mr. Carroll: The same section.

Lines of steam or other ships, railways, canals, telegraphs, and other works and undertakings connecting the province with any other or others of the provinces, or extending beyond the limits of the province.

Mr. MacInnis: If the hon. gentleman will permit another question, he has said that paragraphs (a) and (c) confer that right on this parliament—

Mr. Mitchell: I rise to a point of order. The hon. member for Vancouver East (Mr. MacInnis), whose deep knowledge of the law equals my own, has already spoken this evening. This is not cross-examination; this is a debate.

Mr. MacInnis: An hon. member can agree to answer questions.

Mr. Mitchell: Wait until we are in committee. My hon. friend has been here long enough to know the rules.

Mr. MacInnis: I know the rules, but you do not. You should be sitting down.

Mr. Mitchell: Well, wait a minute. I am raising a point of order.

Mr. MacInnis: What is the point of order?

Mr. Mitchell: My hon. friend did not want me to ask a question. We are not in committee.

Mr. MacInnis: What is your point of order?

Mr. Mitchell: My point of order is that you are out of order.

Mr. Carroll: I have no objection to answering what I could understand of the hon. gentleman's question. The difference is that the British North America Act did make provision concerning lines of steamships, telegraph companies, and so on, and in paragraph (c) gives this parliament power to make laws concerning other works.

Mr. Arthur Laing (Vancouver South): I desire to say a few words in connection with this bill because in my riding of Vancouver South there are a number of packing plants, none of which are connected with what are commonly known as the big three. We have a number of small packing plants capable of producing perhaps twenty per cent of the meat consumed within the province of British Columbia. That being so I must say a word, because the amendment proposed would apply only to those plants operating in more than one province. The plants in my riding operate entirely within British Columbia, and I can envisage a situation where industrial relations and disputes may come under two separate authorities and two sets of rules, with at least two different kinds of trouble as a result.

I believe the inevitable tendency of this amendment would be to give the aura and panoply of a public utility to the meat packing industry. In the province of British Columbia we have recently had some experience with public utilities and we are going to have more in the future. My friends on the other side of the house may have a great deal of confidence in public utilities, but I am not as sure that I have as much today as I used to have. Public utilities can go before a commission—I know this is the attitude in the province of British Columbia—and say they have spent the money and can prove it; therefore, they require higher rates. I doubt very much if that attitude is in the public interest because they are, in sum and substance, providing a cost-plus service to the people who are in a wholly competitive business.

In this particular instance I can say that I doubt very much if the hon. member for Winnipeg North (Mr. Stewart) is endeavouring to make more money for the packing plants. Probably he is thinking of labour. I can foresee a situation arising in which this bill would prove to be against the interests of labour. I doubt if you can apply labour relations on a nation-wide basis. One can easily envision circumstances where a particular—

An hon. Member: Railroads.

Mr. Laing: Yes, I know, railroads—where a particular packing plant in the province of British Columbia would be in a position to offer its men higher wages than a packing plant in another section of Canada. Owing to the inability of the plant where profits are not so high to meet this demand, that plant would hold out against the payment of higher wages and thus prevent the payment of higher wages in the plant prepared to grant them. I believe there is a good deal of advantage in leaving the packing plants on a basis of locality.

In the future, I believe we shall have to provide a new formula for public utilities because I doubt very much if the attitude of many public utilities today is in the public interest when they operate on a cost plus basis and say to the public, "We require more money because we can prove we have spent that money". This bill would probably harm those people it is intended to assist. I believe it would lead to a tremendous amount of confusion in a province where, in the plants which I have enumerated in my riding, they would still be subject to provincial regulations in industrial relations. The plants involved account for a considerable portion of our supply. We shall be wise indeed, particularly in respect to food, if we permit the widest possible play of economic and competitive forces. I doubt very much if this bill is designed to ensure that in the future.

Mr. Paul E. Cote (Verdun-La Salle): In participating in this debate, I cannot help recalling a somewhat similar bill, which was introduced in another legislature in this country in the early part of the year. It did not prove to be very popular. It gave rise to the objections of organized labour as well as a good many other groups across the province of Quebec, as a result of which the bill had to be withdrawn. There is a certain amount of similarity between these two bills.

The bill to which I have just referred had for its purpose the taking away from organized labour of important rights and privileges which they had fought persistently

throughout the years to acquire. The purpose of the bill was to vest in the provincial government those rights and privileges which were the property of organized labour. In Bill No. 5, which we are discussing now, there is a definite attempt to take from the provinces certain rights and prerogatives which the provinces have enjoyed since we have had a written constitution in this country. I believe this is a very dangerous bill, because if it passes it will set a precedent for similar bills. These would be presented on behalf of industries in this country as important as the meat packing industry.

I share the fear voiced by certain speakers who preceded me that the whole matter would wind up in the courts. If this measure submitted by the member for Winnipeg North were placed on our statute books I believe i would be declared ultra vires.

On motion of Mr. Cote (Verdun-La Salle the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we wil take up the resolution in the name of th Minister of Transport, No. 12 on today's orde paper; Bills Nos. 8 and 9, an act to amen the Exchequer Court Act and an act t amend the Department of Justice Act. Som time during the day we will go into suppl and take up the estimates, commencing wit the estimates of the Department of Agri culture.

At eleven o'clock the house adjourned without question put, pursuant to standin order.

HOUSE OF COMMONS

September 30, 1949

The house met at three o'clock.

THE PRIME MINISTER

ANNOUNCEMENT OF DECISION TO ESTABLISH OFFICIAL RESIDENCE

On the orders of the day:

Right Hon. C. D. Howe (Minister of Trade and Commerce): Mr. Speaker, on a question of privilege, I should like to mention a subject that is in the minds of members of parliament, and, I believe, a large section of the public. My subject is a permanent home in Ottawa for Canada's prime ministers. Canada is one of the few countries that does not have an official residence for its prime minister. Most of us realize the difficulty of a prime minister, coming to Ottawa for an uncertain tenure, in obtaining the type of house suitable to the high office he holds.

Some years ago the government purchased the Edwards property, which is located on the banks of the Ottawa river adjacent to the French embassy. The government purchased the property without any particular purpose in mind. At the moment it is rented to the Australian high commissioner and used as a legation. The lease on the property expires on the first of November. Today the government, acting in the absence of the Prime Minister, has decided to ask parliament to make it possible to rehabilitate the house by making provision for the cost of alterations, repairs and future maintenance. If there is no serious opposition to this program, the house will be asked, in the estimates for 1950, to provide funds for the required repairs, alterations and future maintenance of that property as a home for Canada's prime minister.

Mr. George A. Drew (Leader of the Opposition): Shortly before the opening of this sitting, Mr. Speaker, I was informed by the Minister of Trade and Commerce of the government's decision to make arrangements for an official residence for Canada's prime ministers. I feel sure the decision is one which will meet with the general approval of the members of this house and of citizens in every part of Canada. Members of parliament know—it may not be known generally throughout the rest of the country—the extent to which the Prime Minister of Canada is called upon to receive official visitors. Certain duties which are essential to that high office should be a part of the responsibility of the state.

I am not in a position to give any opinion as to the particular residence mentioned. I do wish to express our satisfaction that the Prime Minister will have the opportunity of carrying on his official duties and receiving official visitors in a manner more in keeping with Canada's present position in world affairs. These visits of important and distinguished visitors are no mere social engagements. They are part of world development in one of the most important periods of history. The fact that in these days Ottawa should be visited by so many of the leaders of other nations is in itself evidence of the importance that Canada has assumed in the minds of the governments of other countries. It will assist the Prime Minister of Canada, not only in receiving those important visitors but in carrying out his own heavy personal duties, to have a permanent home, where, as the elected head of the government of Canada, he can discharge his responsibilities in a manner that will be in keeping with the status of Canada in the world today.

Mr. M. J. Coldwell (Rosetown-Biggar): I am glad, Mr. Speaker, that the announcement was made this afternoon that a home will be provided for the prime ministers of Canada. I am also grateful to the Minister of Trade and Commerce for mentioning this matter before the opening of this sitting, because I can now speak not only for myself, but for my colleagues, whom I have had an opportunity to consult.

The house that has been chosen is beautifully situated on the Ottawa river. I am sure that visitors to Canada who are entertained there will appreciate the beauty of the city more than they would if they were housed in a hotel in the heart of the city. I know where the house is, and I know something about it. Several times since the minister spoke about this matter, I have wondered whether the government might not be well advised to build a new house, with modern conveniences, and perhaps more suitable for the purpose in mind, instead of reconditioning or rebuilding the interior of an old house. I hope the government may give some consideration to this suggestion.

I am glad that the Prime Minister is to be suitably housed; and I hope that we in this

parliament may all co-operate to the end that all the Canadian people, both rural and urban, may be suitably housed.

Mr. Solon E. Low (Peace River): It gives me considerable satisfaction, Mr. Speaker, to be able to say on behalf of our group in the house that we welcome the announcement which has been made by the Minister of Trade and Commerce. I am not acquainted with the particular property he has mentioned, but I am sure the government has made investigations and knows whether it would be better to build a new house or to recondition the old one.

While the government is making provision for a home for the Prime Minister, I think they should consider also the question of furnishing adequate recompense for him by way of indemnity. The prime ministers of this country have been notoriously underpaid. Over the years they have been called upon to make sacrifices far beyond the measure of the services they have given to the country.

Mr. J. T. Richard (Ottawa East): As all of the prime ministers since confederation—Sir John A. Macdonald, Sir Wilfrid Laurier, Sir Robert Borden, Lord Bennett and Right Hon. W. L. Mackenzie King—have lived in my riding, I think it is only fitting that the permanent home of the prime minister of Canada should remain in Ottawa East. I am thankful to the government for its decision.

Mr. Daniel McIvor (Fort William): As the one who first mentioned this matter in the house this year, Mr. Speaker, I am sure I express the gratitude of those who, in debate, urged that this very step be taken. I assume that this residence will be for any prime minister, the leader, male or female, of any government party.

FOREIGN EXCHANGE

DEVALUATION OF CANADIAN DOLLAR—EFFECT ON PRICE OF CLASS II WHEAT

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): I should like to direct a question to the Minister of Trade and Commerce. Have class II Canadian wheat prices been altered following the government's action in devaluing the Canadian dollar? If so, what is the change in price?

Right Hon. C. D. Howe (Minister of Trade and Commerce): Class II wheat is wheat sold outside the contract with the government of the United Kingdom, and outside the international wheat agreement. The price of Canadian wheat is the world price, adjusted to the value of the Canadian dollar. When the Canadian dollar was devalued, the price of class II wheat increased by roughly ten per cent.

Mr. Green: In other words the price was brought up as though the Canadian dollar were at par with the United States dollar?

Mr. Howe: That is correct.

Mr. Green: Can the minister give us an assurance that such action will not retard the sale of this Canadian wheat?

Mr. Howe: So far as I know, all wheat moving to class II countries is on the same price level. There are not many countries buying class II wheat today. I believe there are some thirty countries within the international wheat agreement, and those countries purchase wheat under the terms of the agreement. United Kingdom transactions are covered by a bilateral contract. It is only to countries outside the wheat agreement that sales of class II wheat are made. We have made sales of class II wheat in considerable volume this year, and I know of nothing in the revaluation that would change the situation. It is still as cheap as any other wheat.

DEVALUATION OF POUND STERLING—NEWSPRINT TRADE WITH BRITAIN

On the orders of the day:

Mr. Solon E. Low (Peace River): I should like to direct a question to the Minister of Trade and Commerce. What steps are being taken by the government to offset the ill effects of devaluation of sterling on our newsprint trade with Britain, and to prevent the switch of Britain's newsprint imports from Canada to soft-currency Scandinavian countries?

Right Hon. C. D. Howe (Minister of Trade and Commerce): The strongest possible representations have been made to the authorities in the United Kingdom as to the desirability of continuing the purchase of newsprint in Canada. British members of the United Kingdom-Canada continuing committee on trade have just left Canada. While they were here we placed the situation before them as strongly as we could. While we appreciate the right of the government of the United Kingdom to spend their dollars as they think best, we are hopeful that the trade in newsprint that has been going on for many years will continue under the present situation.

INQUIRY OF THE MINISTRY

FOOTBALL—TORONTO ARGONAUTS AND OTTAWA ROUGH RIDERS

On the orders of the day:

Mr. J. T. Richard (Ottawa East): I should like to direct a question to the Minister of Justice. Is it true that the R.C.M.P. have reported that the ancient weapons used by the Argonauts to stampede the Alouettes are considered to be obsolete and extremely hazardous if used against the devastating attack of the supercharging Rough Riders tomorrow?

Hon. Stuart S. Garson (Minister of Justice): The answer, Mr. Speaker, is no.

GOVERNMENT ANNUITIES

INQUIRY AS TO SETTING UP OF SPECIAL COMMITTEE

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I wish to direct a question to the Minister of Labour. Will the special committee on government annuities, promised by the minister on June 30, 1948, be set up at this session?

Hon. Humphrey Mitchell (Minister of Labour): The answer, Mr. Speaker, is no.

Mr. Knowles: Another broken promise.

Mr. Mitchell: It is all right for my hon. friend to say that, Mr. Speaker; but when it comes to promises, I think he has the world licked, including this House of Commons.

OVERSEAS TELECOMMUNICATION ACT

CORPORATION TO TAKE OVER PROPERTY AND EQUIPMENT OF MARCONI AND CABLE AND WIRELESS LIMITED

Hon. Lionel Chevrier (Minister of Transport) moved that the house go into committee to consider the following resolution:

That it is expedient to present a bill to establish under the direction of the Minister of Transport a corporation to be called Canadian Overseas Telecommunication Corporation to take over the property and equipment of Canadian Marconi Company, Limited, and Cable and Wireless, Limited, used in connection with the external communication services. These communication services to be operated by the corporation and co-ordinated with the serices of other parts of the commonwealth.

The Minister of Finance with the approval of the governor in council to be authorized to pay to the corporation out of unappropriated moneys in the consolidated revenue fund an amount not exceeding in the aggregate four and one-half million dollars and in addition thereto such moneys as may be appropriated by parliament for the capital purposes of the corporation.

The Minister of Finance with the approval of the governor in council to be authorized to lend, from time to time, moneys to the corporation out of unappropriated moneys of the consolidated revenue fund, for temporary purposes, the aggregate outstanding at any time not to exceed $100,000.

The amount of losses suffered by the corporation in any year to be paid to the corporation from moneys appropriated by parliament for that purpose.

The amount of the profits realized by the corporation in any year to be paid to the Receiver General of Canada.

Mr. Green: Will the minister make a statement explaining this proposed measure?

Mr. Chevrier: Yes. I thought the proper place to make it was on second reading, but I am prepared to make it at this stage.

In a statement to the house on November 8, 1945, concerning commonwealth communications, the then acting prime minister stated that the Canadian government had indicated its willingness to nationalize external telecommunication services—in other words to acquire the overseas telecommunication facilities owned and operated in Canada by the Canadian Marconi Company, Limited, and Cable and Wireless, Limited.

I think perhaps I should here give the house a brief outline of the history of external telecommunications. The present organization of these services goes back to 1928, when the position created by the competition between the beam wireless telegraph services and the submarine cable telegraph services came under review by the Imperial Wireless and Cable Conference, 1928.

The recommendations of the conference were approved by the governments of the commonwealth, and as a result two companies were formed: one, a merger company owning practically all the shares of the old cable companies and the Marconi Wireless Telegraph Company; the other, now known as Cable and Wireless, Limited, an operating company owning all the communication assets of the merger company, certain cables previously owned by the governments of the commonwealth, and a lease of the beam wireless stations in the United Kingdom then owned by the United Kingdom post office. At the same time there was established a communications advisory committee—now the commonwealth communications council—a body which included representatives of the dominion and which was given certain powers of control over policy and rates. This committee was the official means of communications between the various governments and the company.

Soon after the formation of Cable and Wireless, Limited, operating difficulties became apparent. There was serious contraction in international trade in 1930, and in addition the company had to face foreign competition, particularly from new wireless telegraph services. These difficulties led to a review of the relationship between Cable and Wireless, Limited, and the governments of the

commonwealth, and certain changes were made in the operational and financial arrangements.

Coming down to the war years, I should mention that direct radio circuits were established between the United States and many parts of the commonwealth. Such circuits were opened on the understanding that their operation was limited to the duration of the war, but it later became evident that it would be inexpedient to close them, notwithstanding the fact that their retention would result in a loss of revenue to the commonwealth cable and radio circuits.

The problems which had arisen were considered at the commonwealth telegraph conference held in Australia, and later by the commonwealth communications council at a meeting in 1944. The view of the council was that the needs of the commonwealth telecommunications system were not being adequately served, and that there should be a change in the organization. Companies existed in the dominions and India; nevertheless the main instrument of commonwealth telecommunications was Cable and Wireless, Limited, a United Kingdom company owning a substantial interest in the capital of local companies. The council felt it was essential that the dominions and India should have a greater share in the administration of the commonwealth telecommunications system with a view to building it up as a whole on both cable and wireless sides. It was also felt that a company with obligations to private shareholders might not be in a position to provide a service which would fully satisfy public needs and strategic requirements.

Early in 1945 Lord Reith, on behalf of the United Kingdom government, visited the dominions and India to explain the point of view of the British government. Following these discussions the commonwealth telecommunications conference was held in London in 1945, and the conference unanimously recommended public ownership of the overseas telecommunication services of all the commonwealth governments. Pursuant to this recommendation the United Kingdom government purchased all the shares of Cable and Wireless Limited which it did not already own, and subsequently an agreement, designated as the "over-all agreement", and now known as the commonwealth telegraphs agreement, was signed in London on May 11, 1948, by representatives of each of the commonwealth governments, referred to in the agreement as the partner governments.

The agreement provided, in part, that each partner government in whose territory a local company is operating external telecommunication services shall purchase all the shares in the local company or otherwise acquire the local company's undertaking; that for the purpose of acquiring the local assets and of operating and maintaining its external telecommunication services each partner government shall either nominate an existing department or other body or establish a public corporation having the powers necessary to carry into effect the provisions of the agreement, such agency being referred to in the agreement as "the national body"; and that for the purpose of promoting the efficiency and development of the external telecommunication services of the commonwealth there shall be established a body known as the commonwealth telecommunications board.

The functions of this board will be mainly advisory, but substantially wider than those of the commonwealth communications council which it replaces, and including: (a) the formulation of joint telecommunication policy, including rates; (b) the co-ordination and development of the wireless and cable systems of the commonwealth; (c) the co-ordination with the appropriate authorities of telecommunication matters affecting the defence of the commonwealth; (d) the co-ordination and conduct of research; (e) negotiations with foreign telecommunication interests, if requested to undertake these by the commonwealth governments.

Cable and Wireless, Limited, was transferred to public ownership of the United Kingdom under the Cable and Wireless Act effective January 1, 1947, with the share capital of the company transferred to the United Kingdom government. The company will remain in being as a government-owned company and will continue to own the assets and operate the telecommunication services outside the United Kingdom apart from those to be operated by the respective national bodies of the partner governments. The commonwealth telegraphs bill which was presented to the United Kingdom parliament on February 1, 1949, provides for the establishment of the commonwealth telecommunications board and for the transfer of the assets of Cable and Wireless, Limited, in the United Kingdom to the United Kingdom general post office, its national body, effective April 1, 1950.

The governments of Australia, New Zealand and South Africa have already passed the necessary legislation to establish their national bodies. Southern Rhodesia took over operation of its external telecommunication services on April 1, 1949, and India on January 1, 1947, while the policy of the governments in Pakistan and Ceylon has not yet been decided.

Canada has approved the financial arrangements under the "over-all agreement", based on the wayleave scheme as recommended by a conference of financial experts from the commonwealth countries, including Canada, held in London in October, 1947, on the understanding that final acceptance will be conditional upon acceptance by all commonwealth governments concerned.

In brief, these arrangements call for, first, each country to retain all receipts on originating traffic, less out-payments to carrier companies handling such traffic other than carriers of the national bodies; second, each national body to make payments towards the expenses of the commonwealth telecommunications board, based on the proportion of its receipts to the total net receipts of all national bodies; third, each national body to make wayleave payments to the central board towards the over-all expenses of maintaining and operating all common user cable and radio services of the commonwealth telecommunications system, based on the proportion of its net receipts to the total receipts of all national bodies.

Under the wayleave scheme, the Canadian body, namely, the proposed Canadian Overseas Telecommunication Corporation, the establishment of which is provided for in the bill to be brought down, will, according to figures made available by the commonwealth communications council, based on 1947 traffic volume, show an annual profit of approximately $50,000. My technical officers are inclined to put this estimate at a higher figure. I might add that the financial effects of the wayleave scheme are to be reviewed by the central body immediately after figures for one year's operations are available from all national bodies.

The resolution now presented to the house can, I believe, be divided into five heads, which provide, first of all, for the establishment of a corporation to be known as the Canadian Overseas Telecommunication Corporation, which will take over the telecommunication assets of Cable and Wireless, Limited, together with those of Canadian Marconi Company, Limited.

The object, too, of the corporation will be to operate these telecommunication services not only in this country but also in co-operation and in co-ordination with other commonwealth countries. The second part of the resolution provides for funds for this purpose. As stipulated there, they are not to exceed the sum of $4,500,000. It also provides for working capital.

The third part of the resolution provides for loans which may be made to the corporation from time to time, none of which on any occasion shall exceed the sum of $100,000. The two remaining paragraphs provide, first, for losses which may be made by the corporation, such losses to be voted by parliament, and, second, for payment to the Receiver General of Canada of profits which may be made by the corporation.

If the house so desired, I would be prepared to make any further remarks when the bill is presented. I understand in the resolution stage it is not the custom to debate the measure at length, and perhaps I might limit my remarks at the present time to what I have just said.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, before going into committee, at which time questions may better be asked, perhaps I might direct one or two questions to the minister. He may indicate whether he would prefer to give the information now, or when the bill reaches the committee stage.

Mr. Chevrier: I would prefer to give it in committee on the resolution, if I may.

Mr. Drew: Then I shall defer my questions until we reach the committee stage.

May I point out that the presentation of this resolution follows a course which has been followed in every one of the dominions, with the exception of Pakistan and Ceylon. It is in keeping with the conference held in 1945, as has been pointed out by the minister.

I think it would be more appropriate if I were to say at this time, rather than when the bill is in committee, that when a corresponding bill was before the House of Commons at Westminster—and that, of course, is the bill which creates the largest segment of this integrated organization—a special committee was set up to examine the consequences of the bill and to make recommendations in relation thereto.

It would seem to me most desirable that a special committee be appointed when this bill is presented, so that before the House of Commons is called upon to deal with it there may be an opportunity to go into certain of the questions which arise in connection with this operation. By way of illustration, the Canadian Marconi Company operates broadcasting stations CFCF and CFCF-FM in Montreal, and also short wave station CFCX. I should think members of the House of Commons might well have some opportunity to secure the advice of a committee appointed to consider that and other incidental results flowing from a decision of this kind. I put the proposal forward now so that the government may give it consideration before the bill is presented to the house.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, I realize that the action now proposed is being taken more or less to consolidate this kind of service in the commonwealth. I hope, however, that the house will look into the financial structure of these organizations and give careful attention to the balance sheets of the companies, particularly the Canadian Marconi Company, which we propose to take over.

I have in mind the fact that from time to time when we have taken over an enterprise and placed it under public ownership we have been forced to become the owners of these facilities because of bankruptcy on the part of private enterprise in the operation of the services in question. The outstanding example of that in the history of Canada was the taking over of the systems which now comprise the Canadian National Railways. We should, therefore, guard the country against any overpayment.

I have looked at the amount mentioned in the resolution, and also at the records of the companies. When the matter comes before the house I hope hon. members will give careful consideration to this phase of the proposal made by the minister. I am not suggesting that the initial amount of $4,500,000 set out in the resolution is too great, although it may be. But the further amount that will be paid should be scrutinized carefully by the house in order that we may be protected from anything of the kind that happened after the last war in connection with our railway system.

Mr. W. Ross Thatcher (Moose Jaw): Mr. Speaker, I should like to add a word to what has been said by my leader (Mr. Coldwell). The one point in the measure which concerns me is the balance sheet of Canadian Marconi Company, Limited. I was checking this afternoon in Moody's, and I find that last year this company, which we now propose to take over, lost $408,000. In 1946 it lost $115,000. During the past year its current assets dropped by $468,000, and it had only $36,000 cash on hand. Moody's also points out that the shares dropped from $6 to $1.25. This company last year had a bank overdraft of $2,523,000; a year ago it was $2,300,000. Accounts payable accrued are $529,000. Among the assets are included patents with a valuation of $1,863,000—which may or may not be a fictitious valuation. I should like the minister to state whether or not the government is paying for those patents.

I agree that in principle this may be a sound scheme, but I am wondering whether the government is buying a lemon. If the company's profit and loss continue as they have been for the last several years, the question may be asked whether this will be a good thing. If the company fails, then the government will start screaming that social enterprise did not work, that the company did not last because it was owned by the government.

Mr. Howe: Social enterprise owns it now, since it is owned by the government of the United Kingdom.

Mr. Chevrier: The hon. member for Moose Jaw is destroying his own argument.

Mr. Thatcher: I should like the minister to be explicit about some of these details, because the record of the Canadian Marconi Company has not been good over the past several years. Why is it that every time a company gets into difficulties the government has to pull it out?

Mr. E. G. Hansell (Macleod): Mr. Speaker, I am not altogether happy about this resolution. I know it is not unusual for resolutions to be brought down in the earlier part of a session, but there was no mention of this matter in the speech from the throne. I realize that the speech from the throne does not contain the details of all the legislation the government intends to bring down during the session, but it does seem to me that the taking over of a corporation of this size, and one which is of international importance, should warrant mention in the speech from the throne; so that hon. members would have been given ample time to think about it. We have not said a great deal about this resolution, and I fancy the reason is that we are not prepared to do so.

Mr. Chevrier: May I interrupt the hon. gentleman and ask him to consult page 15 of *Votes and Proceedings*, where he will find that in the speech from the throne there is mention of this bill to incorporate the Canadian Overseas Telecommunication Corporation?

Mr. Hansell: I am sorry that that particular point escaped my notice.

We are deciding now whether or not it is expedient to bring down this measure. We all know that the further along any measure goes, the more difficult it is to turn it down. If it is a dangerous thing, the best thing to do is to turn it down before it gets too far. I am not saying that it is dangerous; it might be the best thing in the world to pass a measure of this kind, but I do say that we are being asked to do it when we have only a little information.

The hon. member for Moose Jaw (Mr. Thatcher) referred to the financial position of this company as set out in the volume he had in his hand. It might appear that the

company is going broke, and it might appear to some that that is private enterprise for you.

Mr. Thatcher: Hear, hear.

Mr. Hansell: The hon. member for Moose Jaw says "hear, hear", but let me remind him that if it is private enterprise that is going broke, it is a good thing because the taxpayers will not have to foot the bill. If the government takes it over it will not go broke, because no government institution goes broke. Government institutions do not have to show profits, and if they do show a loss it does not matter because the taxpayers will come to their rescue. It is all right to say that eventually the country will go broke when the sources of taxation dry up—

Mr. Blackmore: They are drying up now.

Mr. Hansell: The hon. member for Lethbridge (Mr. Blackmore) says they are drying up now. In that case the country would go broke if its wealth were based on financial considerations; but that is not the true criterion for measuring a nation's wealth.

While a government corporation ostensibly may be responsible to parliament, it always feels that it can call upon parliament or the people to cover any losses. That is the thing I do not like about government enterprises. There is just too much of that sort of thing. I trust that this company is not being taken over because it is going broke. If it is being taken over so that greater service can be rendered to the commonwealth, that would be a different matter. But even then, if their solvency were involved they could always call upon the taxpayers, and that is what I do not like.

I hope that this matter will be gone into thoroughly and no stone left unturned until we get all the information, until we know where the people of Canada through their responsible government are heading in and heading out.

Mr. T. L. Church (Broadview): Mr. Speaker, I should like to call the attention of the house to one or two matters relating to this important resolution.

The war broke out in 1939, and after ten years—six of war and four of the aftermath of war—the government want to make a change, although they were satisfied during that period with the present method of external communication.

Originally there was a code. The idea of making a change started when the war broke out, because of the code used. I referred to that the other night in connection with the Statute of Westminster. There is a difference between the old system and the new one. When the war broke out, what did they have? For two and a half years the dominions were the only countries behind the mother country, and they had a code system. The government had the right to make rules and regulations as to the code. After two and a half years of war, during which Great Britain and the dominions worked together, they decided to adopt a new code because of the entry of the United States into the conflict.

I have been reading extensively about this whole matter, and it arises out of the statute I have named. In the first place there are external communication services by other means. The radio is used extensively for external communication, so much so that there is a radiotelephone system between Canada and the old country. The Canadian Broadcasting Corporation and the British Broadcasting Corporation have the right to make rules and regulations as to their code, and today it has been expanded.

You will notice the change in the resolution. There used to be a federal censor in charge of this work. He was the man who typed the code and told them what they could do. Often during the war the censor prevented certain information from being given out in Canada. The information was held back, and even the House of Commons did not know about it. We were told that we could get some information in a secret session, but I did not attend for the reason I gave at that time—that I thought there would be nothing revealed that the Soviet did not know already.

Now they are adding something new. I must say that the present Minister of Trade and Commerce (Mr. Howe) has been obliging in any contacts I have had with him. But this is going to be a political organization, and I am not using the word "political" in any offensive way so far as the minister is concerned. I have a great deal of confidence in the present minister. I had a lot to do with him during the war. I am not using the word in any personal sense, but because every minister of the crown is more or less in politics. The present Minister of Trade and Commerce did a lot of good work during the war, but this new corporation is to have vast powers over the property and equipment of Canadian Marconi Company, Limited, and Cable and Wireless, Limited, used in connection with external communication services. In the words of the resolution, these communication services are to be operated by the new corporation and they are to be co-ordinated with the services of other parts of the commonwealth. There is no definition of the word "co-ordinated". I linked this matter

the other evening with the Statute of Westminster. As you know, some of the former commonwealth countries are now out of the empire—India, Pakistan, Burma, Ceylon. Seven or eight of them are now out of the empire. They do not belong any more; they are separate organizations, so that this resolution will not apply to them.

You will notice that the Minister of Transport can also make rules and regulations for the corporation. A corporation is to be created called the Canadian Overseas Telecommunication Corporation. It is to take over certain property and equipment. Without being subject to any censor at all, the minister is going to have the right to make rules and regulations.

I call your attention to another matter about the new code. The resolution reads, "co-ordinated with the services of other parts of the commonwealth." The Statute of Westminster does not apply in the same way to all parts of the commonwealth. For example, sections 6 to 13 of that statute did not apply to New Zealand and Australia until trouble arose about it over the dollar and the pound sterling and so forth. It is just as I said the other evening. Nevertheless the minister will be able to make rules and regulations.

There are other bodies that deal with external communication services. I have mentioned radio. Everybody knows what the radio corporation does. It takes quite a part in handling external communication services. In conjunction with the B.B.C., the C.B.C. has a code, and there is the power to make rules and regulations. I do not know where it is all going to end. In my view the resolution is simply an extension of the separatist policy of autonomy and sovereignty. That is all it amounts to. It is an extension of that principle which has caused so much trouble in the countries of the empire, and we do not know now who is in the empire and who is out of it.

The resolution proposes to co-ordinate the Canadian service with the services of other parts of the commonwealth. There are embassies all over the world. No wonder we are a separate country. We have ambassadors in the countries all over the seven seas, and the old empire is divided. They are all spending money. The hon. member for Temiscouata (Mr. Pouliot), in a very witty speech, referred to these ambassadors as "so-called ambassadors", and the then member for Davenport said, "So-called is right."

Now you will have all these ambassadors in the countries all over the seven seas making use of the code. There will be different codes, and you will not know who is in the empire. These ambassadors learn only by experience. They also have codes for communication in matters of external affairs. They all want to be ahead of the king and the queen in the procession. They are, as the hon. member for Temiscouata said last year, akin to the undertaker who is first in the procession, or the drum major who leads the band in the royal procession.

I fail to see any necessity for such a measure as this at the present time. Ten years after the beginning of the war you want to co-ordinate these services. Part of the resolution reads:

> The Minister of Finance with the approval of the governor in council to be authorized to lend, from time to time, moneys to the corporation out of unappropriated moneys of the consolidated revenue fund, for temporary purposes, the aggregate outstanding at any time not to exceed $100,000.

If you ask me, this is a new policy, appropriating $4,500,000 for these services. I can tell you this, it is another form of separation akin to that of autonomy and sovereignty.

Mr. Donald M. Fleming (Eglinton): I do not rise to make any extended comment upon the principle of the resolution. I should like, however, to make some brief references to the two statements made in this house this afternoon by the hon. member for Rosetown-Biggar (Mr. Coldwell) and the hon. member for Moose Jaw (Mr. Thatcher). I am sure the house listened to their statements with some interest because it must have seemed strange to most of us to hear those statements from people who hold such a belief in the principle of nationalization. Now, when the question of nationalization arises in what is admitted to be a public utility, it is strange there should be such grave questions raised from the socialists themselves. Apparently their belief in the idea of socialism has some exceptions and their approach is rather selective to the principle of nationalization.

Then, we heard some rather scathing references to the weak financial position of this company. Session after session we have heard these same people denounce profit; profit, according to them, is something inherently wicked. Now when we have a company that has no profits, this company is held up as the sort with which those people who believe in nationalization should have nothing to do. This company is in a very poor financial position. There does not seem to be much consistency in their position, but if we wait for consistency from the socialists, we will be waiting here a long time. I could not help making these observations. So many attacks have been made on companies with profits and now here is a company without those wicked profits. It seems to me this is a field

which is often regarded as the natural object for nationalization, namely, a public utility, and yet the socialists are warning us against nationalizing this company because it has none of these wicked profits.

Mr. Thatcher: I am sure the member for Eglinton (Mr. Fleming) wants to be fair both to the hon. member for Rosetown-Biggar (Mr. Coldwell) and to myself. We said we agreed with the principle of this bill. We prefaced our remarks with that statement.

Mr. A. L. Smith (Calgary West): I realize the difficulty we sometimes have in the committee of the whole as to whether our questions are proper. I have no right to question the minister at this stage, but at the appropriate time I should like him to give a full explanation of the implications in this bill. I am almost totally ignorant of overseas telecommunications. I am sure the house will agree that is not the only thing upon which I am in complete ignorance. Does it follow that one of the objects of the bill is to create a government monopoly in this field? I should like to know why we are taking over this company. Is it because present facilities are not sufficient? Is it for safety, so that in matters of defence we may have control over telecommunications? In the net result, does it mean we are creating a monopoly in this field?

I am not going to enter the argument which has been raised, but it seems to me this subject is quite important. When we come to the bill itself, it seems to me it requires examination from a committee dealing with the financial aspects and the necessity for doing this at all. I can think of reasons why it should be done. It is my opinion these things should be made very clear to us. I believe the proper time and place to do that is in a committee of the house where we may examine witnesses who are engaged or have been engaged in this business as well as officers of the department who have had to deal with it.

I hope the minister will remember I am not suggesting he is withholding anything, but I am suggesting he should give us full details, first, as to why we want it; second, as to the result that may be achieved or may flow in the event the bill is passed. There is no implied criticism; all I am seeking is full information and I think the house and the people are entitled to that. After all, $4,500,000 is not peanuts, although in comparison with other large sums it is not large. Still, it is a substantial sum of money.

Mr. J. L. Gibson (Comox-Alberni): I would hope the government is going into this business because it cannot help itself. It seems to me we are operating enough businesses at the moment. I do not think the government is going into this particular field because it desires to control more enterprises in Canada.

Mr. Smith (Calgary West): I did not suggest they were; I am asking for information.

Mr. Gibson (Comox-Alberni): The Pacific terminus of this cable is in my constituency, and naturally a number of my constituents are employees of Cable and Wireless, Limited. When we reach the committee stage, I trust the minister will be able to give me an assurance that their working conditions will not be worsened by reason of the government taking over the company.

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

Mr. Chevrier: Mr. Chairman, perhaps I might deal with some of the difficulties that seem to arise in the minds of hon. members. In the statement which I made at the outset, I believe, will be found most of the answers to the questions that have arisen. There appears to be a misapprehension in the minds of some of the members as to what is to be done. It may be that the statement I have prepared was not a clear one. I shall attempt to elaborate.

In the first place, this resolution which precedes the bill for the establishment of the Canadian Overseas Telecommunication Corporation is made pursuant to an international convention. I could go into the history of the telecommunication services from 1928 to date, but that would be somewhat lengthy and it already appears in the statement. After 1928 difficulties in connection with telecommunication services arose in the commonwealth countries owing to competition between beam wireless circuits and cable circuits. The handling of messages by beam was far cheaper than those by cable. I believe I can put it succinctly when I say that about that time it cost twenty-five cents per word to send a message by cable, whereas it cost eighteen cents to send it by beam.

One or the other of these companies was going out of business. So the United Kingdom decided that the best thing to do was to form a merger company. That led to dissatisfaction among certain of the commonwealth countries, so they convened at a number of international conferences, one in 1942 in Australia, where the commonwealth communications council was set up, and that met in 1944. In 1945 Lord Reith, of the United Kingdom government, came to Canada and other commonwealth countries to survey the position and to ascertain what were the views in the various commonwealth countries. In the same year a commonwealth

telecommunications conference was called in London, and it was there that an agreement was made to which this country and the other commonwealth countries, namely Australia, New Zealand, India, Southern Rhodesia and the United Kingdom, became signatories. The agreement provided two things: (1) that the commonwealth countries should, just as quickly as it is possible to do so, nationalize the telecommunication services within their own territories; and (2) that there should be established what was known as a commonwealth telecommunications board which would act as an advisory board to the various commonwealth countries and co-ordinate the telecommunication services. At an international commonwealth telecommunications conference in 1945 we agreed to do this. We signed the agreement.

While this legislation seems to have been a matter of some surprise to one hon. member, I think it was mentioned not only in the speech from the throne of this session but also in the speech from the throne in the previous session of 1949. I therefore do not think there is a great deal to be said in favour of anyone's being taken by surprise any more than one is taken by surprise when a matter is brought before the house on the first occasion.

I realize that this is a matter of great technicality. While the hon. member for Calgary West says that he does not understand a great deal about it, I can assure him that it is not an easy matter to understand. I do not understand all the things that I should like to understand about it because many parts of it are highly technical and are not very readily comprehensible. As I go along, however, I shall attempt to clarify things as much as I can for the committee.

To come back to the apprehension which seems to be in the minds of the members, that this is a lemon that we are taking over, may I say in the first place that the resolution proposes to take over the assets of Cable and Wireless, Limited, and to take over the telecommunication assets of Canadian Marconi Company. The assets which it is proposed to take over are a wireless receiving station at Yamachiche, Quebec, a wireless transmitting station at Drummondville, Quebec, together with the Marconi building in the city of Montreal. That has nothing to do with the broadcasting stations of the Canadian Marconi Company; it has nothing to do with the industrial or manufacturing end of the Canadian Marconi Company; nor has it anything to do with the overdraft which was mentioned. This is not a lemon which is being bought. On the contrary, these are assets that have value.

I am informed that the telecommunications end of Canadian Marconi have shown, for the year 1948, a profit of approximately $100,000.

Mr. Fraser: Net or gross?

Mr. Chevrier: This is a net profit of $100,000. This is therefore in no sense a liability. I would be tempted to say something to my hon. friend about the criticism he levelled at Cable and Wireless, Limited, but I do not want to follow the example of the hon. member for Eglinton. Suffice it for me to say that the shares of Cable and Wireless, Limited are owned by the United Kingdom government and I think the majority of the shares of Canadian Marconi Company, Limited, are also owned by the British government—certainly fifty per cent if not seventy-five per cent or more. I will find out the exact situation when the bill is before the house.

Mr. Thatcher: Will the minister say they are taking over no liabilities whatever of either of these companies?

Mr. Chevrier: No, none at all. I would say that we are certainly not taking over any liabilities. I think the hon. member for Calgary West asked a number of pertinent questions. He first asked why we are taking this business over. The answer is that we are committed to do so by a commonwealth telecommunications agreement signed by the various countries. We are taking this over because we agreed to do so at the convention and because it has already been announced in the house by the Acting Prime Minister; I believe the announcement was made some time in 1945. Why are we taking it over? Again, we are taking it over because it was decided at that international conference that, in order to further co-ordinate telecommunications in the commonwealth, it would be far better if our country nationalized the assets of this service. It was asked whether the bill would create a monopoly. My reply is no, the bill will not create a monopoly. The result to be achieved, I hope, will be one where some profit can be shown. I do not mean only monetary profit; I mean profit from the point of view of benefit to the commonwealth countries, and that is from the defence angle as well. That certainly was the intention of those who signed this agreement in London. I hope there will also be profit in the financial sense. The advice that I have from the technical officers in the department is that it is hoped that a substantial operating profit can be made in this corporation.

Mr. Drew: A number of questions arise in connection with this matter, but I should like to take up right away one point men-

tioned by the Minister of Transport. He said that this would not create a monopoly. As I understand it, Cable and Wireless, Limited, through their holding company, control about eighty per cent of the world's cable communications. If that is the case, I should think that this would come as close to creating a monopoly within the commonwealth as it is possible to imagine. I should like to ask the minister what observations he has to make upon that part of this transaction.

Mr. Chevrier: I am not in a position to say whether Cable and Wireless, Limited, control eighty per cent of the world's telecommunication services.

Mr. Drew: I do not want to interrupt the minister, but I would point out to him that I did not say "telecommunication services". I said "cable communications". This resolution includes both cables and wireless, does it not?

Mr. Chevrier: Yes, it does. I do not want to challenge that statement, but I would be surprised if that were the case. In any event, whether it is or is not the case, the Anglo-American Cable Company and Commercial Cable Company are in direct competition with both Cable and Wireless, Limited and Canadian Marconi Company, Limited, so there is no danger of a monopoly. From what I understand, in the international field exclusive of the commonwealth field there are telecommunication services, both wireless and cable, that are quite strong and quite competitive in these services.

Mr. Drew: What effect does this have on the arrangements that are now in existence between Canadian Pacific Telegraphs and the Canadian Marconi?

Mr. Chevrier: I do not think it affects Canadian Pacific Telegraphs. For instance, the arrangement that exists today whereby a message goes over the Canadian National or the Canadian Pacific will continue. I do not know what the amount is; but suppose that the rate for one word is twenty-five cents. I would imagine that four cents of that would be paid to the Canadian Pacific or the Canadian National as it went to the cable head, and perhaps eighteen cents on the cable and another two or three cents in the United Kingdom to go by the land telegraph system there. If that is what my hon. friend has in mind I would think that those arrangements will not be changed.

Mr. Gibson (Comox-Alberni): Now that we are nationalizing the cable companies, would the minister not consider the Canadian National as the exclusive carrying agent?

Mr. Chevrier: No, it could not be because, as it is now, Cable and Wireless or Canadian Marconi must use Canadian Pacific lines. I do not know what the arrangement is, but I suppose, if you go into a Canadian Pacific telegraph office to send a message, the message will go by the Canadian Pacific for a certain distance and then by cable or wireless for the remainder of the distance.

Mr. Murray (Cariboo): For a great length of time on the Pacific the question of rates has been a problem. The Pacific coast of Canada is practically cut off by high rates from the coast of China, and from other countries on that side of the Pacific. I believe it would be a good investment for Canada if the minister could assure us that he will be able to reduce the commercial rates on the Pacific to a basis where they will be equal to those on the Atlantic. I refer more particularly to a reduction of rates on press messages. Today we hear a great deal about the iron curtain. Our newspaper friends in Canada are unable to penetrate beyond the iron curtain. The high rates existing on press messages on the Pacific are contributing to the security of the iron curtain. If we are to have prosperity on the Pacific we must be in close touch with business houses on the other side. If we are to have peace in the world the people of Canada should be daily in touch with the political and military events in Asia, and they can be in touch with them only if we have low rates for cable and wireless on the Pacific.

Mr. Browne (St. John's West): While I am grateful to the minister for the way in which he explained this resolution I must confess I am very much in the dark about it. I feel that hon. members are entitled to have more detailed information. The resolution speaks of the property and equipment of Canadian Marconi Company, Limited, and Cable and Wireless, Limited. I think that hon. members were under the impression that all the property, and the whole thing as a going concern, were being taken over. Now we know that only certain property and equipment are being taken over. The minister has not given us all the details that we should expect. He has not given us details of the property and equipment that are to be taken over and where it is located. The Canadian Marconi Company, Limited, is a large company and I suppose it has some ramifications all over the world. While it is intended to take over only the portion that is in Canada, I wonder whether the minister would be good enough to give us more details and say where the property is located. The Canadian Marconi Company, Limited, is also in business of a different type from mere communication services. While the resolution speaks of the external communication services, I should

like to know the nature of the equipment that is to be taken over. At the same time the minister might be good enough to explain to us who has valued this equipment. I know that he has experts, but we might be told how this was done, and so forth.

Mr. Chevrier: Far be it from me to attempt to advise the hon. gentleman, but I am sure he will understand that I do not want to be offensive when I say that what we are discussing now is a notice of what it is intended shall be done at a later date. In discussing a resolution I do not think it has been the practice to give all the detailed information to which the hon. gentleman would otherwise be entitled when the bill is in committee. It is not that I object to giving it to him, because I would not want him to think that I am attempting to withhold any information. I shall answer some of his questions in a moment. I am sure he will agree with me that the proper place in which to do that is when the bill is under consideration and the details are therein set out. The purpose of a resolution is to provide an opportunity to discuss it in a general manner and have the minister answer questions of a general nature. At the proper time the hon. member is entitled to get the information which he seeks.

A moment ago I did say that we intended to take over certain assets of the Canadian Marconi Company. The hon. member will be interested to know that so far as the assets of Cable and Wireless are concerned it is the intention to take over the buildings and equipment at Harbour Grace in the province of Newfoundland. There are other details which I would prefer not to give until the proper time arrives.

The hon. member for Cariboo inquired about rates. I am pleased to be able to tell him that the commonwealth telecommunications board, which is established under the agreement, provides that, among a number of other things, rates fall within its jurisdiction. It provides for the formulation of a joint telecommunication policy, including rates.

Mr. Applewhaite: The resolution provides for a new corporation to take over the property and equipment of all existing companies used in connection with external communication services, and to operate them for that purpose. Will the minister be kind enough to tell us whether this in any way involves radio service for coastal or deep-sea shipping? I am particularly interested in the Pacific coast.

Mr. Chevrier: No, it does not.

[Mr. Browne (St. John's West).]

Mr. Higgins: Will the present services carried on in Newfoundland by both of these companies be continued as at present?

Mr. Chevrier: My information is that Canadian Marconi have no assets in Newfoundland, but Cable and Wireless have certain assets there, and they will be taken over. So far as the service in Canada is concerned it will be the same as it was heretofore.

Mr. Higgins: Do I understand that Marconi carries on no service in Newfoundland at the present time?

Mr. Chevrier: No, I did not say that, and I did not mean to imply that. What I intended to say was that I was not aware that they had assets there which we were taking over. They may operate an industry of some sort there, but I am not in a position to say that. This bill does not provide for the taking over of any of Marconi's assets in Newfoundland.

Mr. Higgins: If they are in business now, the business will not be taken over under this bill?

Mr. Chevrier: When my hon. friend speaks of "business", does he mean the manufacturing of radios?

Mr. Higgins: No; I refer to the business of communications.

Mr. Chevrier: No, I would not think so.

Mr. Church: Mr. Chairman, I wish to call the attention of the committee to certain features in connection with this resolution. In the first place it is said that some Conservatives in England approve of this policy. I can say there is a large body of public opinion that does not approve of such a drastic change as this.

We used to have an empire parliamentary association which was set up for the purpose of considering just such matters as this, involving unity within the empire. However they have forgotten all about the empire. They even want to change their name and turn themselves into something else. I believe they turned themselves into a Pan-American organization. That is one organization to which matters of this kind should be sent, because it is supposed to be non-political. It is the only place I know of where politics are forgotten for the good of the empire and the parliamentary institutions within the empire.

They held a meeting, and we saw what happened to it. Right Hon. Vincent Massey always opposed Pan-Americanism. I admit there are some Conservatives in the Old Country who support this program, but I am

absolutely opposed to it for the following reasons—and I shall take only a few moments of the time of the committee.

I was one of the members on this side of the house who, alone, opposed something which I thought would lead just to this new feature and this new program. What was that policy? It was called the Bretton Woods agreement and the monetary fund, which did more to cause disunity the world over than anything else I know of. I was the only Conservative on this side of the house who opposed that agreement—and I am very glad I did.

We have seen the consequences of it—this process of linking up with the international bank, as a result of which one country becomes forever the creditor of all the rest of the world. I was one who opposed it because of that feature in it.

Then, this summer we read about a meeting held near Orillia, on lake Couchiching. Was there any talk about empire up there? No. In fact, hardly any of the countries represented there are in the empire at the present time. Some of them have pledged themselves to a code. But Burma and other places are all out of it. That organization has done more than any other agency I know of to harm the empire. They even wanted to call it something else—to strike out the word "empire", and to call it by some high-sounding name such as "commonwealth". I believe it is now to be called the commonwealth organization, if you please.

The representative from Australia said that it had not been changed by any country within the empire or commonwealth. There was no evidence of it. In fact, I see no evidence of unity right here in the House of Commons. If we read what is proposed about unity within the empire, we find very little of it. The other night I read out a list of nine or ten such things, as they appeared in the debates and order papers of last session, and from the order papers of this session. Was there talk of unity? I say no.

This organization has held its meeting near Orillia. Well, if you ask me I will say this: I do not believe that, at a time when houses are needed so badly for the working-class people of this country, we should bother about these secondary matters. We should attend to primary matters—the ones we are now discussing are only secondary, in my opinion.

We have a large organization at Lake Success known as the United Nations. Up to date I think it would be far better if the name of that lake were changed to Lake Failure—because Russia knows everything that goes on there. They know all about everything. I can tell you that they know more than we do right here in the House of Commons—and certainly more than we are told.

Is this Orillia organization going to lead to unity within the empire? No. The United Nations tore down buildings worth millions of dollars. They have asked for a code—a code for what? I fail to see any value in this so-called code; there is no unity in it. It is just a waste of public funds. Just wait until you see them next year; it will be a regular sinkhole for capital and maintenance.

And what control have we? Just yesterday we were presented with estimates, but we have no control over them. We pass estimates for this, that and the other thing; but post mortems are all we can ever hold. The people of this country are worried about what is becoming of our parliamentary institutions. The tremendous popularity of the monarchy was apparent everywhere in their 1939 visit. The peoples of the empire support the king and queen today, but we see a threat to the dignity of parliament, and we see the decline of the House of Commons, when we hand over all our rights and privileges to these outside organizations such as the one here proposed. Wait until you see the codes which issue from it.

They all make rules and regulations. We have all sorts of organizations, radio, and all the rest of them. I fail to see any value in this proposal, and I venture to say that in the days to come it will prove what I have said when we were discussing the Bretton Woods agreement and the international monetary fund. I am absolutely opposed to the expenditure.

Mr. Thatcher: Mr. Chairman, some hon. members have found it a little strange that C.C.F. members should question this bill in any way. I assure hon. members, including the hon. member for Coast-Capilano, that C.C.F. members object to the spending of several millions of dollars more for assets than they are worth, just the same as Liberal members or any other members—if that is what we are doing. I am not saying that we are.

A moment ago the minister assured us that we were not buying a lemon. But the fact is that this particular company last year had a deficit in net earnings amounting to $408,000. Is the minister suggesting that most of that loss was entailed in other activities of the company? In other words, did the actual assets we are purchasing from them show a profit? Do you suggest that?

Mr. Chevrier: I said that; the profit shown was approximately $100,000.

Mr. Sinclair: The hon. member for Moose Jaw gave the balance sheet of the company

when it was operated by the United Kingdom government. Can he show the profit made by the company before 1945 when they were operating under private hands?

Mr. Thatcher: As I understand it, the hon. member is mixing up the cable company with the Canadian Marconi Company.

Mr. Sinclair: It is the cable company I am talking about.

Mr. Thatcher: I am talking about the Marconi Company.

Mr. Sinclair: Let us have the cable company as well.

Mr. Thatcher: I am interested in the Marconi Company.

Mr. Sinclair: Why not ask about the cable company? The British government is not in that at all.

Mr. Gibson (Comox-Alberni): What steps did the minister's department take to determine this amount of $4,500,000? Was it the appraised value of independent appraisers of the value of the assets taken over?

Mr. Chevrier: Yes. Departmental officers, after going over the various assets of both Cable and Wireless, Limited and Canadian Marconi Company, Limited came to the conclusion that they could be purchased for at least the amount asked for in the resolution.

Mr. Green: I understood the minister to say that there were to be extensions or improvements in the inter-commonwealth system. The resolution, as I understand it, makes provision not only for $4,500,000, with which to acquire the interests of these two companies, but also there is provision for such other moneys as may be appropriated by parliament for capital purposes of the corporation. Are there any extensions or improvements in mind; and if so, can the minister give us an idea of approximately how much is involved on Canada's part?

Mr. Chevrier: I do not think that that is what is meant by the paragraph in the resolution. It is a question of expropriating the assets of the companies for which $4,500,000 may be required. But then money would be required to pay the staff and the day to day expenses for a period of perhaps three or four months until the company begins taking in revenue. I think the amount required in that paragraph is for that purpose, not for capital.

Mr. Green: No extensions are in contemplation at the moment?

Mr. Chevrier: No.

[Mr. Sinclair.]

Mr. Green: What is Canada's representation on the commonwealth telecommunications board? It seems to me that it is important that Canada should have strong representation on the board if for no other reason than to deal with the question put by the hon. member for Cariboo. He is quite right when he says that the cable rates on the Pacific are far too high. If we have not strong representation on the board there is not much likelihood of those rates being reduced. Have any representations been made to the board by the Canadian representatives for the reduction of rates?

Mr. Chevrier: The board has not begun to operate and it will not until the agreement goes into effect.

Mr. Green: There has been a conference?

Mr. Chevrier: There was an international telecommunications conference at which the agreement was entered into. That agreement stipulates that the assets shall be taken over and a board established. It then goes on to stipulate that, until the partner governments have signified their intention of abiding by the terms of the agreement by passing the necessary legislation, it shall not go into force. I think that date will be about April 1, 1950. When that is done I presume that each partner government will appoint a member to the board.

Mr. Green: Has it been decided yet what representation Canada will have on the board?

Mr. Chevrier: Canada will have one member.

Mr. Green: What will be the total membership of the board?

Mr. Chevrier: Each partner government is entitled to appoint one member.

Mr. Green: Will the Canadian government make representations to the board that the Pacific rates be reduced?

Mr. Chevrier: I am not in position to say whether they will or will not, but I can tell my hon. friend that that is the object of setting up this board. There has been competition from foreign telecommunication services and there was a danger that the commonwealth group might go out of existence. Therefore they merged together to protect themselves against competition. I would not expect that they will try to boost rates but rather to move in the other direction.

Mr. Green: I hope the Canadian government will ask that the rates be reduced. How does the United States fit into this picture? In making his statement before the resolution went into committee the minister said that

during the war certain direct circuits were set up between the United States and some of the commonwealth countries.

Mr. Chevrier: There was an understanding between the United Kingdom and the United States whereby the one country would carry the messages of the other. During the war years direct circuits were set up from commonwealth countries to the United States. Those circuits were opened on the understanding that they would be closed at the end of the war, but they have been operating, and operating satisfactorily in the sense that they provide additional service which did not exist before. The feeling all round is that it would not be a good thing to close them down and I should think that they will continue as they were before. There is no intention of changing the position by the implementation of this resolution. On the contrary, the hope is that they will be continued.

Mr. Green: I do not understand how the circuits between the United States and commonwealth countries are to be operated. Are they to be operated by the different commonwealth companies or by United States companies? Just what is the picture?

Mr. Chevrier: To be quite frank, I do not know what the picture is. I presume the commonwealth telecommunications board will enter into some sort of understanding with the United States companies.

Mr. Green: The board will?

Mr. Chevrier: Yes. This resolution is intended to do two things: to take over the assets and to operate an external telecommunication service to the various commonwealth and other countries. I stated a moment ago that I considered I had been quite fair in answering all sorts of questions that had been put to me on the resolution. My hon. friend is asking questions which should be asked on the bill and not on the resolution.

Mr. Fournier (Hull): When the technical officers are here.

Mr. Chevrier: As the Minister of Public Works says, when the technical men are here and can provide information of a technical nature. I do not want to refuse to answer any questions, but I do not want the hon. member to take undue advantage of the position.

Mr. Green: I am not trying to take undue advantage of the minister at all. Earlier in the afternoon when replying to an hon. member, one of the hon. members from St. John's, I believe, the minister stated that there was a limit on questions that could be asked. I think the minister was drawing a very fine line in a way that I have never seen done in committee before. If the minister has not the information I have asked for, that is perfectly all right; but I do ask him to try to get that information so that when we are in committee on the bill he can tell us just how this commonwealth board will carry on with the United States companies. Is it the intention that the new crown corporation will retain the same management and personnel, or is there to be an entirely new staff?

Mr. Chevrier: That is clearly a question which should be asked on the bill, but I shall answer it now. I do not know where the dividing line is between questions which should be asked on the resolution and questions which should be asked on the bill. However, the intention is to take over the present staffs of Cable and Wireless, Limited and Canadian Marconi Company, Limited, along with perhaps some other officers who are not members of those corporations. I am not in a position at this time to say how many.

Mr. Thatcher: Would the minister put me right as to what would be the exact effect if this resolution did not pass? Would there be a curtailment of services in any way?

Mr. Chevrier: If this resolution did not pass we would be denying a responsibility which we have undertaken as a government at an interntaional conference. Canada's reputation for living up to its commitments has so far been excellent, I think. In so far as actual results are concerned, I presume Cable and Wireless, Limited would continue to operate through the United Kingdom company; but that certainly was not the intention at the conference. The intention was that because of reasons that I mentioned a moment ago the commonwealth countries would operate their own services.

Mr. Pearkes: Can the minister say whether or not the assets include a cable-laying or cable-repairing vessel? I hope that will not be considered too detailed a question, but it involves the maintenance of cables, and where the responsibility would rest for their maintenance.

Mr. Chevrier: I would not think so. I am not able to say, but I would be very greatly surprised if it did. I do not think that is an asset of either Cable and Wireless, Limited, or Canadian Marconi Company, Limited.

Mr. Drew: I do not think there is any occasion to press for a distinction between what can be asked at this stage and what can be asked at a later stage, but the very

fact that a number of questions have been asked which indicate a feeling on the part of hon. members that they are not very clear as to what result will be produced by the bill, and the fact that so many of the questions are directed towards technical aspects of the problem, suggest the desirability of this measure being sent to a special committee, or one of the standing committees of the house.

Mr. Thatcher: Banking and commerce.

Mr. Drew: Any one of the standing committees will be satisfactory as long as it goes before a committee of the house. Then there will be an opportunity to ask those with technical information questions that cannot be satisfactorily asked in the house, and the answer to which, in all fairness, the minister cannot be expected to have at his fingertips. While there is a system of deputies coming into the house to assist ministers on certain occasions, the nature of the problem is such that it calls for an examination by a committee, as was done in the House of Commons of the United Kingdom, where a similar bill dealing with the same subject, and under the same agreement, was placed before that body.

The minister has said that a monopoly will not be created. That is a most important statement. If the measure does not create a monopoly, but simply has the effect of placing certain Canadian communication facilities within the intercommonwealth communications system, then that differs greatly from the situation which would be created if the bill were to grant something in the nature of a commonwealth monopoly, leaving certain other interests outside, but which would of necessity be subject to the overriding arrangement in their own activities.

Then again there are certain details as to the relationship of these companies to other organizations which, it seems to me, can best be examined before a committee. I recognize that a publication such as Moody's Public Utilities has no official status, but nevertheless it is highly regarded by all those who want information on matters of this kind. The 1949 edition of Moody's Public Utilities, in describing the activities of the Canadian Marconi Company, Limited, says:

> Operates a world-wide wireless telegraph service in association with Canadian Pacific Telegraphs, whose offices throughout the dominion act as collection and delivery agents, and a trans-Atlantic wireless telephone service and others between Canada and Newfoundland, and various places in West Indies.

Surely a committee would be the place where hon. members could best ask such questions as would give them information about the extent to which the commonwealth communications system would be taking over wireless telephone services, the extent to which it would be absorbing the telegraph activities of Canadian Pacific Telegraphs outside of Canada, and other details of that kind that are suggested by the statement I have just read as to the nature of the activities of Canadian Marconi Company, Limited.

Then there is also the fact that Cable and Wireless, Limited, is a company which has world-wide ramifications, and the position of the Canadian properties within that system is something that might far better be discussed before a committee than by asking questions in the house, subject to the limitations that are necessarily placed thereon in this chamber.

As I mentioned before, there is the question of the radio broadcasting stations which are under the control of the Canadian Marconi Company, Limited, and what is to become of them, whether they are a part of this transaction. I grant you that the minister can answer those questions when the bill is in committee, but it seems to me that if the house is to deal effectively with this matter hon. members should have technical information and the technical advice of those who would be brought before such a committee so that they might be able to make recommendations based upon a full examination. It might well be that a committee might suggest that certain properties be included that are not now suggested, in the interests of a wider and fuller intercommonwealth communications service. In mentioning this, the minister used words that I think should be borne in mind, and about which there can be no suggested secrecy whatever. In his first statement, which gave a very broad and comprehensive explanation of the purposes of the bill, the minister used the words "strategic requirements". There again it seems to me that by setting up a committee the members could secure the evidence they wished in regard to what the strategic requirements are, in so far as they do not affect any matters of national concern or national interest from the point of view of secrecy, and the adequacy or inadequacy of the integrated communications system that is to be built up in this way which will obviously be related to what those strategic requirements actually are.

A committee can obtain that information much better than can hon. members in the house by the rather casual method of asking questions which are not directed to any particular expert, or to any particular technical aspect of the problem at a given time.

Furthermore, there is the important question of how this business is to be managed when acquired. The whole concept of the operation of public business by crown companies is relatively new on its present scale,

and it took form largely because of the necessities of war. Of course there were many crown companies operated for years here and elsewhere before the last war, but this rather convenient method of operating certain types of public activities, or semi-public activities, expanded enormously at that time. Now that crown companies are being carried forward fairly extensively into the years of peace, it seems to me when we have this particular matter before us it will be a good time for the members of the House of Commons to examine not only how crown companies of this kind are set up, but also how crown companies can best be operated in the interests of the public for whom they are created, and also what methods will be employed which will determine how they will be managed during the time that they continue to operate, and what safeguards there will be in the handling of these crown corporations by way of disposition or otherwise at some future time.

Now that we have this matter before us, it is an opportune time to make an inquiry into that very important aspect of this problem. I am raising these points now more for the purpose of emphasizing what I believe to be a very good reason for setting up a committee or referring the matter to a standing committee. I would ask the minister to give us assurance that when this bill is presented it will be referred either to a special committee or a standing committee, as was done in the United Kingdom. If that is done, there will be no necessity for asking further questions. The members will then have all the technical and other information before they are called upon to make a decision on this bill.

Mr. Chevrier: I have no feeling one way or the other in the matter, nor have I considered whether or not this bill should be sent to a committee. I believe my hon. friend will agree with me when I say that the proper time to decide that is when the bill is before the house. It would strike me that there is nothing secret about what is proposed. Since it will be under my jurisdiction, I would welcome a complete airing of the whole matter, either in committee of the whole house or in some other committee. Would my hon. friend allow this matter to stand until the bill is before the house? I believe it is the practice to decide whether or not a bill is to go to a special committee at that time.

Mr. Drew: I do not want to press the point. My main purpose has been to place before the minister, as well as the other members of the house, the reasons why I believe this bill should go before a committee. I thought it was proper that I should do so now so that the government would have an opportunity of considering the matter. I would hope, in view of the nature of the transaction and the difficulty there is in dealing with a subject of this kind in general discussion, that it might be decided to set up a committee to which it could be referred.

Mr. MacInnis: The leader of the opposition has made out a good case for referring this matter to some committee of the house. I do agree with the minister, however, that we should wait until the bill is before us. During the time I have been here, there has always been some difference of opinion as to whether there should be a debate on measures of this kind at the resolution stage. I understand there is no debate at the resolution stage in the United Kingdom parliament. When the matter is as important as this, having a debate on the resolution stage puts the members at a disadvantage because they have nothing to go on except conjectures.

Surely, there is no purpose in going into the committee of the whole on the resolution except to get information. We are entitled to all the information that is available. The only way in which the minister can safeguard himself is to say quite frankly he has not got that information and it is not available until the people who understand these technical matters are able to assist him. I agree with both the minister and the leader of the opposition that we could save time by not going into the subject any further. The minister does not seem to have the information now, and when the bill comes down more details will be available. The members will be in a better position to ask questions and to decide whether or not the subject should be referred to a committee of the house.

Mr. Fraser: One thing the minister said, with which I do not agree, was that this would not create a monopoly. Is it not true that when this corporation is set up it will not pay any federal, provincial, or municipal taxes?

Mr. Chevrier: No; it will pay taxes.

Mr. Fraser: It will pay federal taxes?

Mr. Chevrier: It will pay municipal taxes.

Mr. Fraser: It will not pay federal taxes, and yet last year's profits amounted to $100,000.

Mr. Chevrier: That would be paid into the federal treasury as provided in the resolution.

Mr. Fraser: The corporation would not pay any excess profits taxes or income taxes.

Mr. Wright: Everything is paid into the federal treasury.

Mr. Fraser: Yes, even if it only makes $10. However, this company puts other companies at a disadvantage owing to the fact that it does not pay these taxes. Where do these government corporations pay municipal taxes? No government body pays municipal taxes.

Mr. Chevrier: I am not discussing that angle with the hon. gentleman. This is not before the house. I wish he would not bring the question of municipal taxation into the debate at this time. All I am saying is that there is provision here for that being done. I do not want to enter into a discussion of federal or municipal taxation.

Mr. Fraser: I still say this does create a monopoly. You cannot get away from it. The government has an advantage over the other firms.

Resolution reported, read the second time and concurred in. Mr. Chevrier thereupon moved for leave to introduce Bill No. 12, to establish the Canadian Overseas Telecommunication Corporation.

Motion agreed to and bill read the first time.

EXCHEQUER COURT ACT

AMENDMENT TO EXTEND TIME FOR APPEAL TO SUPREME COURT, ETC.

Hon. Stuart S. Garson (Minister of Justice) moved the second reading of Bill No. 8, to amend the Exchequer Court Act.

Mr. Green: Is the minister going to make a statement on this bill?

Mr. Garson: This bill is a simple one, consisting in the main of procedural amendments. Clause 1 provides a new and simplified statement on one part of the exclusive original jurisdiction of the court which is now covered by section 18 of the act. There is no change in substance. Clause 2 provides a simplified procedure on appeal. There are only two new items, of which the first provides for appeal from interlocutory judgment and the second extends from thirty to sixty days the time in which an appeal may be lodged. Clause 3 provides that when an appeal is made on behalf of the crown, the usual deposit of $50 is not necessary. Clause 4 empowers the judges of the exchequer court to make rules and orders for regulating the practice and procedure of and in the exchequer court, as formerly, and adds two new subsections to provide: (1) for rules dealing with the examination for discovery in proceedings to which the crown is a party; and (2) for rules providing for the medical examination of a person in respect of whose injury a claim is made before the exchequer court.

I am informed that the judges of the exchequer court have already made rules of this sort, but that there has been some question as to their right to do so. The purpose of this particular clause is to remove any doubt upon the point. I believe the judges have also made one or two orders about medical examination of a person in a case of this kind. Some doubt also exists as to their right to do that. It is to remove that doubt that this clause is introduced.

Mr. A. L. Smith (Calgary West): Now that we are bringing in an amendment to the Exchequer Court Act, does the minister not think that consideration should be given to the whole problem of the right of the individual to sue the crown? If I am correct in my law—and I think I am, unless some amendment that I do not remember has been made—we are now in the position that we must get leave—from the minister, I take it—before we can bring any action. I have no doubt that hundreds of years ago there probably was a reason for such a rule. But in this day and age I can think of no legitimate reason why an individual who has been injured cannot sue the crown just in the same manner as he is able to sue the minister or me, provided that he alleges responsibility in us for the damage he suffered. There is nothing like making one bite of a cherry, and I really think the minister should give some consideration to that aspect of the matter. It is all right to say that the consent is given, and perhaps generously given. But there are times when, in my own experience, consent has been withheld perhaps not so much here as in provincial matters.

Mr. Garson: Consent is never withheld here.

Mr. Smith (Calgary West): Let me make it plain that I think it was in provincial matters that the consent was withheld; but it was in fact the crown moving in the right of the province. Many cases arise in which the government maintains army depots and institutions of that kind. If, as the minister has just advised me, consent is never withheld, why have the rule at all? Why should the individual not be in the same position to sue the crown as to sue any member sitting in this house? The minister has told me that consent is never withheld. That statement is the most complete support for my contention. If it is never withheld, why have the prohibition and put people to all the extra trouble involved and incidentally to the expense of paying extra lawyers' fees in obtaining that consent from the crown?

Mr. Garson: Mr. Speaker—

Mr. Speaker: If the Minister of Justice speaks now, he will close the debate.

Mr. Garson: In reply to my hon. friend's question, may I say that I think no substantial injustice is done to anyone under the procedure which is followed by this government in respect of these claims. I would say that over ninety-nine per cent of the claims made against the government are those which arise in cases of negligence. That is one form of tort. Other torts, if indeed there are any others, are quite insignificant in number. In case of negligence I think the procedure that we follow is not without advantage to the subject, for this reason. When the claim is made and a fiat is requested, we have the claim investigated. In the course of that investigation we discover whether, in the opinion of our law officers, the applicant for the fiat has or has not a case against the crown. The judgment arrived at in that regard is the same type of judgment as that which would be arrived at by a lawyer advising an ordinary citizen against whom such a damage claim was made. Where the advantage of applying for the fiat comes in is that, in many of these cases, we are able by reason of that inquiry to arrive at a settlement before any damage action at all is started.

Mr. Smith (Calgary West): But you must have arrived at a conclusion as to whether he had any claim before you made the settlement.

Mr. Garson: No. The application is made. We investigate the occurrence. We decide whether, in our opinion, the claim is a good one or not. If the claim is a good one, we endeavour to make a settlement that is fair before there is any litigation at all. In all those cases the applicant for the fiat is saved what otherwise would have been the costs of starting a case unnecessarily if he were able to launch it without any further difficulty.

What about the cases in which, in the opinion of the law officers of the crown, the applicant for the fiat has no case at all? I grant at once that if, in those cases, we refused a fiat, our position would be an unreasonable one. But the practice is such that, no matter whether we think there is no case or whether we think there is a case, the applicant does not suffer. If in our opinion there is a case, we try to make a settlement without litigation. If in our opinion there is absolutely no case for the plaintiff and he has not a leg to stand on, we nevertheless grant the fiat but we express our view that we do not think so much of the case. I think that procedure might be of some benefit to the plaintiff. While I concede at once that in the abstract it seems like an anachronism, shall I say, that in 1949 we are still following a practice that is fairly ancient, I would point out that, when you analyse the practical aspect of the matter, I do not think any substantial injustice is done. Indeed, it may well be—although I do not allege this as an assertion for which I take any responsibility—that upon balance those suffering damage as a result of the negligence of the crown are, in the mass, better off. In respect of the Royal Canadian Mounted Police activities, which come under my jurisdiction, I know that from time to time I sign cheques in settlement of claims of this sort, where settlement is arrived at without the necessity for any litigation at all. Those cases could not have been investigated before the writ was issued if the person who had the claim could rush into court and file his statement of claim without making an application to the crown for a fiat.

I will admit this in relation to what my hon. friend said about some of the provinces. A great deal depends upon the fairness with which the fiat is granted or refused. Where the fiat, as with us, is granted as a matter of course, after we have made an investigation, whether we have a defence or not, then no substantial injustice accrues. If, on the other hand, the crown, even in a minority of cases, were disposed to hide behind its immunity from liability and refuse a fiat arbitrarily, I will concede that there would be some injustice to the applicant for a fiat. But I assure my hon. friend that is not the case with this government.

Motion agreed to, bill read the second time, and the house went into committee thereon, Mr. Dion in the chair.

On section 1—*Exclusive original jurisdiction of the court.*

Mr. Smith (Calgary West): May I assure the minister that I accept everything he has said, and that he has given a completely honest view of the practice. May I discuss it on another basis? I am going to give the minister a concrete example where this thing might go completely wrong. I am glad he mentioned the Royal Canadian Mounted Police. Let us assume that a citizen had some complaint about the way he was used by the Royal Canadian Mounted Police. As we all know, they are enforcing many laws in nearly all the provinces of the Dominion of Canada. We then come down to the minister's department. The minister has one of his employees look into the matter. Through that employee we seek to get justice, some sort of reparation for injuries, whether physical or otherwise. The minister is then put in this difficult position of saying whether

or not a fiat should be granted to the citizen who was injured or thought he was injured. The minister is then put in what seems to me to be the unenviable position of having to decide whether or not the fiat should be granted. Let us assume that we have another minister whose ideals of the administration of justice do not coincide with those of the present incumbent of that office, and he says, "I am running a good show; I am running this in the best way that I can and I am not going to have any lawsuits against any of my boys." That is just a natural human feeling that any minister may have under these circumstances. Therefore, sir, with the greatest respect I go back to where I started. It is all right to say that this is never done. Why not make it the law that it can never be done?

I intend to go back and answer one or two other points the minister made. He said that we did not want somebody to fly into the courthouse before the department, whatever department it may be, has had time to make some investigation. I have been in this business of law for a long, long time, and I have never known anybody to sue anybody else, seeking some sort of remedy, without first making a demand on him for the remedial action to which he thinks he is entitled. The minister may think that I am conjuring up something that does not happen, but in saying what he said I think that he was probably conjuring up something that, in the life of this profession, I will not say never happens, but has never been known to me to happen.

Suppose I have a bad lawsuit on my hands. What I would do first of all would be to make a big demand hoping that I would sort of overawe the other fellow. Having some doubt about what my client is entitled to, I think that half a loaf is better than no bread, and I make some settlement in that way. My point is this. If the minister is right in saying that a fiat is never withheld, then I come squarely back and ask: If it is never withheld, why have the prohibition at all? If that were done, then I would hope that the provinces might follow the excellent example which would be set by the Minister of Justice.

Mr. Garson: Hon. members know that I have not been Minister of Justice for long, and therefore my statement that a fiat had never been refused applies only to the period of the past seven or eight months.

Mr. Smith (Calgary West): Generally I think it has been issued.

Mr. Garson: Anticipating the type of questions that my hon. friend would raise I took the matter up with my deputy, through a telephone conversation which was recorded. In our department we have an interdepartmental communication system which enables us to exchange instructions of this sort and have a transcript of them. I have the transcript here and this is what my deputy says:

> Well, mind you, we are in no difficult position here because we have had this law in force, well, for a great many years by admitting liability, that is, in the sense of granting a fiat for tort.

Then I said:

> Even where we think we are not liable?
> Oh, yes, oh, yes, we have never refused a fiat for many years.

You could not get anything more categorical than that, because that is not just myself speaking; that is the deputy, and he is speaking of a period under several ministers. In other words, the practice in relation to this discussion with my hon. friend, in which he said that it might depend to some extent upon the judgment and the temperament of the minister who was exercising it, is not to have even the discretion. I have personally signed fiats where the report from the law offices of the crown was to the effect that we had an excellent defence to the case and that they did not think the plaintiff could succeed.

Mr. Smith (Calgary West): The law offices of the crown have been wrong before.

Mr. Garson: Oh, yes, of course they have, but the point is this. My hon. friend asks, is not that a terrible responsibility in relation to my staff? I do not think so, because the only responsibility that the minister takes is that of saying: Let justice be done, let the courts decide that the plaintiff has a case against the employees of the department or that there is no such case.

To repeat what I said before: If there were any substantial miscarriage of justice as a result of the withholding of this, then I would be the first to admit the validity of my hon. friend's point. But where the practice is not to withhold the fiat, I am sure the practice does result in a large number of settlements before litigation—because, in relation to that, I have signed many cheques for such settlements.

Beyond a certain amount of delay and a certain amount of extra trouble—and one must admit that—there is no substantial miscarriage of justice at all, and no one is denied justice as a result of the practice followed.

Mr. Johnston: As hon. members are aware, I am not a lawyer. I understand, however, that no cases can be brought before this court unless they are against the crown. Am I right in that understanding?

Mr. Garson: No, that is not right. For example, this court deals with patent cases.

If my hon. friend would turn to section 19 of the Exchequer Court Act he would find the duties set out in paragraphs (a), (b), (c), (d), (e), (f), (g), (h) and (i). All these paragraphs deal with different types of jurisdiction the court may exercise.

Then, under sections 20, 21, 22, 23, 24, 25, 26 and 27, the various jurisdictions of the court are set out, dealing with railroad debts, and so on. The court has a much wider jurisdiction than merely actions against the crown. However, that is one of the important jurisdictions.

Mr. Johnston: What would be the position where the crown is partner with another company—let us say an insurance company? Can such action be brought jointly before the exchequer court?

Mr. Garson: Would the hon. member detail a set of facts in respect of which a claim of that kind has arisen?

Mr. Fulton: The National Housing Act.

Mr. Johnston: Yes, the National Housing Act. There is a case pending now where the Central Mortgage and Housing Corporation are joint partners with the Manufacturers Life Insurance Company. That case was brought before the ordinary courts, and the ruling handed down that the prosecution could not be brought against the Central Mortgage and Housing Corporation in any court other than the exchequer court.

Mr. Garson: Right.

Mr. Johnston: What is the position when the Manufacturers Life Insurance Company is in partnership with Central Mortgage and Housing Corporation? Can they both be prosecuted before the exchequer court, or must they be taken separately? My understanding is they cannot be taken separately because the court would not allow that to be done, and said the only place the Central Mortgage and Housing Corporation could be prosecuted would be before the exchequer court.

Mr. Garson: What my hon. friend has said is that action could not be taken against them jointly in the ordinary provincial courts. But that still leaves the question as to whether action might be taken against them jointly in the exchequer court. I suppose it is the answer to that question the hon. member would like me to give at the present time. Unfortunately, I say frankly, I am not able to give it just now. However, I shall get that information, as to whether joint actions of that sort can be brought.

Certainly I would agree that it should be possible either in the provincial court or in the exchequer court to have the rights of the parties determined in a single lawsuit; and I think that is the objective my hon. friend has in mind.

Mr. Johnston: I must repeat that I have no knowledge of the operations of the law in this regard, but when an individual such as a home owner under the National Housing Act finds himself in difficulties with the Manufacturers Life Insurance Company and the government, and finds that he must go to court —bearing in mind that his financial position is not strong—he finds himself in the position where the ordinary court rules that it cannot hear the case because a crown corporation is involved. Then, when further advice is obtained, they cannot sue the Manufacturers Life Insurance Company because if they carried it to the exchequer court they could not bring in the insurance company, which is not a crown corporation.

There you find a situation which confronts the individual whose finances are limited. He cannot sue the Central Mortgage and Housing Corporation jointly with the Manufacturers Life Insurance Company in the ordinary courts. He cannot sue the insurance company and the mortgage corporation in the exchequer court because the insurance company is a partner.

It seems to me some provision should be made—and I do not know whether this would be the proper place to make it—whereby a crown corporation could be sued jointly with a private company in the ordinary courts. There are two reasons for that: the first is that the ordinary home owner under the National Housing Act may—and this is most problematical—be able to raise the money to press the prosecution in the ordinary courts. Certainly however he could not raise the money required to carry an action to Ottawa so that it might be heard before the exchequer court.

I hesitate to ask my question, because I do not know what the answer will be. I would ask however what the costs would be to the ordinary individual who prosecutes the Central Mortgage and Housing Corporation before the exchequer court. I have no doubt that depends upon the length of the case, and upon other matters; but I have in mind an average case.

Mr. Garson: It would depend upon a great many factors. Even if one knew what the tariff was, and the extent of the court costs, I do not believe he could possibly give an intelligent answer to that question. He would have to know the nature of the claim, the number of witnesses called, and all such information.

However, when the hon. member says that it would cost more to prosecute the case in

Ottawa, I suggest he is overlooking the fact that the exchequer court sits in different parts of Canada. It goes out on circuit. Proceedings can be instituted through Ottawa agents, following which it is not necessary for counsel in, let us say, Calgary or Edmonton or Winnipeg, to attend at Ottawa with their witnesses.

If all the witnesses on both sides of the case are in some city of Canada, the case can be tried there—provided it is one of the cities on the circuit of the exchequer court judges. In that way I should think the costs of prosecuting a case would be substantially the same in the exchequer court as they would be in the supreme court of a province.

I believe the real point in my hon. friend's remarks, if he will permit my saying so, is his suggestion that an amendment is required to the act to make it clear that in a case where a crown corporation, or the crown itself, is involved with a private company such as the Manufacturers Life Insurance Company, it would be possible to bring action against the crown in the exchequer court and in that action to join the private company as a party in such case, where it appears that there is some business connection between the private company and the crown.

This would enable the case to be brought in the exchequer court where, according to the information the hon. member has given, a court has held that it is impossible to bring a case against both party defendants in the provincial court. His point, as I understand it, is that a plaintiff should be able to get redress against both defendants in the same court at one time.

Mr. Johnston: Yes.

Mr. Garson: I believe we could agree on that.

Mr. Johnston: May I thank the minister for the observations he has just made. I would assume that this would be the proper place to make such a change in the act, and I believe it would be most beneficial if the minister would bring down some amendment at this time, so that it might be incorporated in the legislation.

I would join with the hon. member for Calgary West when he objects to the way a fiat is issued by the officers of the minister's department and by the minister himself. The case I have in mind—and it will do no harm to repeat it now—is that of the Central Mortgage and Housing Corporation and the Manufacturers Life Insurance Company versus these home owners I have mentioned.

Here was a case where almost every officer of the crown thus far has disclaimed any responsibility whatsoever in the matter. If it is left in the hands of the minister, or the hands of the officers who advise him, to decide whether or not a fiat shall be issued, before a prosecution may take place, then it seems to me that that is not a proper position for the minister to find himself in. This would be the time to enact legislation so that if such an action was brought the court itself could decide the merits of the case and not have the Department of Justice decide whether a fiat should be issued.

Mr. Garson: I am not sure whether I have made myself clear to the hon. gentleman. I must apologize to other hon. members because I think I have said about four times that we grant a fiat as a matter of course.

Mr. Johnston: But not as a matter of right or as an obligation.

Mr. Garson: As a matter of course. In no case is it refused. Once the fiat is granted the case is then proceeded with against the crown in the same way as it would be proceeded with against another subject.

Mr. Johnston: But it could be refused?

Mr. Garson: It could be refused. I am sure my hon. friend has been around the halls of parliament long enough to understand that when a settled practice is developed over a number of years in British countries like Canada the subject can depend upon that practice being followed. As I said before, my deputy minister, who has been at his desk for many years, tells me that he does not know of a single case where a fiat was refused.

Mr. Johnston: It is because I have been around these halls for over fourteen years that I would rather see it in the resolution.

Mr. Fulton: A point arises in my mind out of the remarks of the hon. gentleman who has just taken his seat. Crown companies are entering more and more into the commercial life of the country. Because of their very nature these crown companies must enter into commercial transactions and I think they should be subject to suit in the ordinary way in the provincial courts. It seems to me that this is a matter that should be taken into consideration because there must be an increasing number of cases where the subject wishes to enter suit against crown corporations.

Mr. Garson: That could be taken care of either by a provision here or by a provision in the act of incorporation of the crown company, that the company shall have a right to sue and be sued in the courts.

Mr. Fulton: I suggest that the minister take that into consideration in view of the discussion which has taken place.

Mr. Garson: I shall.

Mr. Higgins: I should like to direct the attention of the minister to a rather unusual situation that exists in Newfoundland at the present time and which has existed for some two or three years. As the minister knows, there is a foreign power, a friendly foreign power, occupying part of our country. From time to time actions for negligence and indeed of a more serious character have taken place. I speak from a full personal knowledge of a couple of actions for negligence which were taken against members of the United States forces. An action could not be taken against the United States government.

In the one case a member of the United States forces was carrying out his regular duties when the cause of action occurred. He was taken before our supreme court where he was represented by United States officers from the judge advocate's office. Judgment was obtained against the soldier and formally entered. When it came to trying to collect the judgment we were informed that the United States army would not recognize it and that we would have to go through some claims commission procedure if we wanted to obtain the amount of the judgment. I know of two cases where that has taken place, where the judgment was not satisfied.

I know of another case where a judgment was obtained in the district court and a promise given that it would be recognized. Afterward that promise was disregarded and the plaintiff received no compensation of any kind. I do not know whether I am right in bringing this to the attention of the minister now, but it is certainly a rather extraordinary position of which the minister should be cognizant.

Mr. Garson: I understand why the hon. member would wish to bring up this matter but I point out that it is not relevant to what we are discussing here. My reluctance to discuss it is based on the fact that I do not want to discuss a matter which comes under the jurisdiction of one of my colleagues for fear that I might muddy the waters for him.

Mr. Higgins: Will the minister bring it to his attention?

Mr. Garson: I shall be glad to.

Mr. Hansell: Would the minister clarify something which has arisen in the last couple of days? He has been discussing the type of case that would come before the exchequer court. Yesterday I asked the Minister of Finance a question with regard to taxation. I am not going to read from *Hansard* because you might not permit me to do so, as that discussion took place on another matter. The minister said that the taxpayer always had the opportunity to appeal to the court. At the time I thought he said that the taxpayer always had recourse, and I do not know whether the word used was "recourse" or "court". Then when the hon. member for Peterborough West asked a further question the minister said that the taxpayer always had the right to appeal. We know that a tax appeal board has been set up and is in operation and I should like to know if a taxpayer who is not satisfied with the decision of the taxation authorities is to take his grievance before that tax appeal board; or did the Minister of Finance mean that he should take his grievance to the exchequer court?

Mr. Garson: There is another instance where I should not be undertaking to reply to a question which could be replied to more properly by the Minister of Finance. My recollection of the procedure is this: The officials of the income tax branch, having received an income tax return from a personal or corporate taxpayer, make an assessment of the taxes on the basis of that return. If the taxpayer disagrees or dissents from the assessment he has an appeal to this income tax appeal board. If he is dissatisfied with this disposition of the matter, he has an appeal to the courts.

Mr. Hansell: That is the exchequer court.

Mr. Garson: Ultimately the supreme court.

Mr. Fulton: While we are discussing the question of jurisdiction, may I ask the minister whether there has been further progress in the catching up by the courts with what was apparently a considerable backlog of judgments?

Mr. Garson: Yes, there has been. Since the time the matter was last discussed in the house the situation had improved materially up to the time I got a report at the end of August this year. At that time there were only four judgments which were in arrears prior to 1948. I made a check today, and those four are still outstanding, but I would hope they would soon be cleaned up. The others are within the last two years.

Section agreed to.

On section 2—*Appeals to Supreme Court of Canada.*

Mr. Carroll: I do not know if anything was said about section 2 while section 1 was being discussed, but there is one instance where I think hardship might frequently occur. The new section reads:

82. (1) An appeal to the Supreme Court of Canada lies

(a) from a final judgment or a judgment upon a demurrer or point of law raised by the pleadings, and,

Exchequer Court Act

(b) with leave of a judge of the Supreme Court of Canada, from an interlocutory judgment . . .

That puts a litigant to a lot of trouble and expense. I do not expect ever to practise in the exchequer court or in any other court again, but it seems to me it puts litigants to a lot of expense to come to Ottawa, or to retain counsel at Ottawa to go before a judge of the Supreme Court of Canada to obtain leave to appeal. In cases where there is a final judgment there is the right to give notice of appeal without obtaining leave.

Subsection 2 of the new section reads:

(2) An appeal under this section shall be brought by serving a notice of appeal on all parties directly affected—

And so on. There seems to be some confusion. You take away the right of appeal without leave from an interlocutory judgment. Then in the general procedure as to how an appeal should be made there is no distinction between the two.

Mr. Garson: I think what is intended there is that subsection 2 of the new section 82 applies to all cases where there is the right to give notice of appeal. In the case of an appeal from an interlocutory judgment the application would first be to a justice of the Supreme Court of Canada for leave to appeal. When leave to appeal had been granted, then the appellant would serve the usual notice of appeal on the other side.

As to the other point raised by the hon. member, I could agree entirely with him if it were an appeal from an interlocutory judgment of some provincial court; but in this particular case it is from an interlocutory judgment of the exchequer court which, although it goes out on circuit throughout the country, has its headquarters in Ottawa. I suppose there may be occasions when the interlocutory application might be made to a judge of the exchequer court when he was on circuit, but ordinarily I think it would be made by an Ottawa solicitor acting as agent for the party to the judges here. If it was not inconvenient for them to make their interlocutory application in Ottawa and have it disposed of here, then one would not think it would be any more inconvenient for them to go across the street in Ottawa and apply to a supreme court judge for leave to appeal.

Mr. Carroll: It seems to me it may develop into a hardship for people who have very little financial backing. I think that the minister should give serious consideration to the matter before the passage of the bill. It might mean that often litigants might not have sufficient funds to retain a lawyer in Ottawa, which would be necessary in practically all cases, unless the judges were on circuit.

[Mr. Carroll.]

Mr. Garson: The suggestion of the hon. member is that, in those cases in which it was desirable that they should be as economical as possible, counsel would make the interlocutory application to a judge of the exchequer court on circuit. Then, if the interlocutory judgment was unfavourable, does the hon. member mean they should be able to apply to an exchequer court judge on circuit for leave to appeal the interlocutory judgment to the Supreme Court of Canada?

Mr. Carroll: No; I should like to see it left exactly as the first section puts it, that there shall be an appeal to the Supreme Court of Canada. Some of these interlocutory judgments are just as important as the final judgments to both sides of the case. I do not see why litigants should be put to the expense of asking for leave.

Mr. Garson: From anybody?

Mr. Carroll: From anybody.

The Deputy Chairman: Shall clause 2 carry?

Mr. Hansell: Six o'clock. I only have one short question.

Progress reported.

Mr. Speaker: When shall the committee have leave to sit again?

Mr. Fulton: Later this day.

Mr. Fournier (Hull): Next sitting of the house. The intention is to proceed with estimates after public bills.

Mr. Green: Which department?

Mr. Fournier (Hull): We will commence with agriculture.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

MEAT PACKING INDUSTRY

WORKS AND UNDERTAKINGS DECLARED TO BE FOR THE GENERAL ADVANTAGE OF CANADA

The house resumed from Thursday, September 29, consideration of the motion of Mr. Stewart (Winnipeg North) for the second reading of Bill No. 5, to declare the meat packing industry works for the general advantage of Canada.

Mr. Speaker: I notice the sponsor of the bill is not in the house.

Mr. Knowles: Is that necessary? The hon. member who moved the adjournment of the debate is here.

Mr. Speaker: We shall proceed with the debate.

Mr. Paul E. Cote (Verdun-La Salle): The bill before the house has been put forward, I am sure, because of the difficulties the meat packing industry has known in the past. I wish to give credit to the sponsor of the bill for his good intentions in bringing such a matter to the attention of the house. The immediate purpose of this proposed legislation is to take away from provincial legislatures all matters pertaining to industrial relations in the meat packing industry and place them under the control of the federal authorities. To that end, the bill proposes to have the meat packing industry declared a work for the general advantage of Canada or of two or more provinces.

In my view the fate of this bill will rest entirely upon the interpretation of this qualification, "works for the general advantage of Canada". After listening to the hon. member for Winnipeg North (Mr. Stewart) and the hon. member for Vancouver East (Mr. MacInnis), I have a definite impression, if not a conviction, that both of them are placing a broad interpretation on those words "for the general advantage of Canada." The introductory remarks of the sponsor of the bill, supported by the address delivered by the member for Vancouver East, would justify the introduction of a bill making other industries in Canada works for the general advantage of Canada. In my opinion, this broad interpretation does not give sufficient reason for singling out the meat packing industry.

If I may refer to the last issue of the Canada Year Book, that of 1948-49, I should like to give an illustration of the practical result of this attempt on their part. This latest issue contains a comprehensive table of the principal industries in Canada. It is found at page 566 and contains a listing of the forty most important industries according to the gross value of their products. I should like to mention the ten industries appearing at the top of that list.

The first one is the pulp and paper industry, with 113 establishments; slaughtering and meat packing, 147; non-ferrous metal smelting and refining, 15; saw mills, 6,001; flour and feed mills, 974; butter and cheese, 2,161; electrical apparatus and supplies, 266; petroleum products, 43; automobiles, 9; and clothing, women's factory, 1,108. The gross value of the first in importance of these industries is $527,814,916, while the gross value of the products of the tenth industry is $174,353,223. We can say, therefore, without any fear of contradiction that these ten leading industries in Canada would afford just as good grounds as the meat packing industry for the placing of their industrial relations under the federal authorities.

In order to better appreciate the table I have given, I should like to refer to another table appearing in the same year book at page 572. This table lists the leading industries according to the number of male wage earners employed. On that basis the tenth largest is the slaughtering and meat packing industry, so we find it has given way in importance to shipbuilding and repairs with 58,000 male wage earners; the pulp and paper industry with 36,000; railway rolling stock, 31,000; primary iron and steel, 28,000; aircraft and parts, 37,000; electrical apparatus and supplies, 23,000; machinery, 21,000; bread and other bakery products, 18,000; and miscellaneous chemical products, 26,000. The slaughtering and meat packing industry is listed as having 18,000 wage earners. I may say that those figures in the table I have just mentioned are for the month of peak employment during 1945.

Having regard to these important industries which operate in this country, and to which I have referred, one may ask himself how it is that the sponsor of this bill has drawn the special attention of this house to the meat packing industry. If it is because he considers that food is the main necessity for the ordinary consumer in this country, he might consider the same necessity existing in the matter of the flour and feed mills, the butter and cheese industry, bread and other bakery products, fruit and vegetables, fish curing and processing and so on. Outside of food there are other essential commodities that the ordinary citizen cannot dispense with, such as clothing, certain varieties of personal items, house furnishings, building materials and so on. The interpretation which is given to that particular word in section 53, paragraph (g) of the Industrial Relations and Disputes Investigation Act, which is in terms identical with section 92 of the British North America Act, subsection 10 (c), opens wide the door to the introduction of dozens of other similar bills which would surreptitiously take away from the ambit of the provincial legislatures' power a good number of matters which by our constitution have been left to their exclusive jurisdiction. There would be no way of drawing the line of demarcation after this bill in its present form has been adopted, if it is adopted.

What are the powers of this parliament in regard to this particular bill? Are we authorized to give any favourable consideration to it? To answer that question, I cannot do any better than to refer to the constitution

itself. All the powers possessed by the federal authority derive from section 91 of the constitution, and all the powers possessed by the provincial legislatures derive from section 92. These two sections are the keystones of our system of government, predicated on the principle of division of authority. Section 91 and section 92 are, I would say, the agents of the distribution of all legislative authority and power in this country. They should complete each other and not come in conflict with each other. They should be interpreted in the same spirit that motivated the fathers of confederation when they wanted to build up a country which, though young, would develop to become one of the leading countries in the world. If one is to give to section 92, and more particularly to subsection 10 (c) thereof, an interpretation which would not conflict with section 91 but would complete it, one cannot be satisfied with the application which the sponsor of the bill has made of the words "for the general advantage of Canada" because section 91, which is the source of the federal parliament's powers of legislation, has a preamble which reads as follows:

> It shall be lawful for the queen, by and with the advice and consent of the Senate and House of Commons, to make laws for the peace, order and good government of Canada, in relation to all matters not coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces;

and so on.

With regard to this idea of the federal parliament's taking over powers which have not been specifically assigned to it by the constitution, I cannot think of any better reference in the last few years than that of the National Emergency Transitional Powers Act. One may say that the situation was absolutely inevitable at that time, without any possible controversy. I would answer by saying that is true; but, if the situation was more far-reaching or sweeping, the character of the circumstances which were invoked at that time should not be any different from those which should be the basis of similar legislation, such as that now before us. I could not find any better authority to give an outline of the circumstances which brought about the introduction of this special legislation in 1945 than the statement made by the then minister of justice, now Prime Minister (Mr. St. Laurent). When he moved the second reading of that bill he had this to say, as reported at page 2448 of *Hansard* of 1945:

> The adoption of the motion for second reading of the bill will mean two things, two very important things, both matters of principle: one, that in the opinion of this house the circumstances in which Canada as a whole finds herself during this period of transition to normal from the exceptional conditions existing during the war are still such as to give some matters comprised within the subjects enumerated in section 92 of the British North America Act aspects of such paramount significance as to take them outside the sphere of that section;

Then he went on with his second point, which referred particularly to the powers given to the governor in council. During his address on that occasion he referred to the jurisprudence laid down by the privy council in the Fort Frances case. He gave several quotations from that judgment, and I should like to draw attention to the following:

> In the event of war, when the national life may require for its preservation the employment of very exceptional means, the provision of peace, order and good government for the country as a whole may involve effort on behalf of the whole nation, in which the interests of individuals may have to be subordinated to that of the community in a fashion which requires section 91 to be interpreted as providing for such an emergency. The general control of property and civil rights for normal purposes remains with the provincial legislatures. But questions may arise by reason of the special circumstances of the national emergency which concern nothing short of the peace, order and good government of Canada as a whole.

The speaker then continued and gave a dramatic picture of the situation with which the country would be confronted in the event that the legislation would not pass at that time. In passing, I wish to draw my hon. friend's attention to a statement which the then representative of his party, participating in the debate from which I have quoted, made on that occasion. The gentleman to whom I am referring is Mr. Jaenicke, who was then the hon. member for Kindersley, for whom I have always had great admiration. I have always considered him to be an outstanding lawyer in his province, and I am happy to quote the remarks he made on that occasion. This is what he said, as reported at page 2462 of *Hansard of* November 23, 1945:

> The bill before us, however, enables the ministry to legislate and enact substantive law, and, generally speaking, that is intolerable in democracy in ordinary times, the more so under our constitution because the government by such legislation not only takes over the function of parliament but interferes seriously with the powers of our provinces with respect to subjects which are specifically assigned to provincial legislatures. If we were living in ordinary times, we would undoubtedly oppose the passing of such a bill most vigorously.

In my humble opinion, there is no difference in the character of the circumstances which should prevail in the country to allow the federal parliament by a mere act of parliament and under the authority of section 92 subsection 10 (c) to take away from the provinces some of the matters which had been given to them in a very exclusive and explicit way.

Hon. members who sat on the industrial relations committee in 1947 will recall that a doubt arose in the minds of several hon.

members of that committee about the possibility of the committee recommending what was termed a national labour code. It was thought appropriate to invite the Department of Justice to express an opinion on the jurisdiction of the federal parliament over labour matters. On July 3, 1947, Mr. Driedger, senior advisory counsel of the Department of Justice, appeared and made a lengthy statement, giving his comments and conclusions on the jurisprudence of the privy council which would have some bearing on the matter, and these are the final remarks which he made on that occasion:

(c) Finally, parliament may, in special circumstances, legislate with respect to labour relations under the initial words of s. 91, namely, for the peace, order and good government of Canada. This was done during the war. The Canada Temperance case (1946) A.C. 193 is the most recent decision of the privy council on the authority of parliament to legislate on this ground. Viscount Simon said that the true test must be found in the real subject matter of the legislation; if it is such that it goes beyond local or provincial concern or interests and must from its inherent nature be the concern of the dominion as a whole then it will fall within the competence of the dominion parliament as a matter affecting the peace, order and good government of Canada though it may in another aspect touch on matters especially reserved to the provincial legislature.

These are general principles and there may be difficulty in applying them to particular cases. No exact test has been laid down as to when or in what circumstances a matter goes beyond local or provincial concern but it is clear that some special circumstances must exist. The authorities are against the view that parliament can in normal times cover the whole field of labour relations in Canada. In the Snider case the point was expressly decided and although the doctrine as expounded by Viscount Simon in the Canada Temperance case is somewhat broader than indicated in the Snider case, it is to be noted that nowhere did Viscount Simon suggest that the Snider case was wrongly decided.

And so on. These are the descriptions referred to in the judgment as the circumstances justifying the federal government intervening in the provincial field of legislation: "abnormal circumstances"; "exceptional conditions"; "standard of necessity"; "some extraordinary peril to the national life of Canada"; "highly exceptional"; "epidemic of pestilence"; and so on.

The situation which now exists in the meat packing industry is something which in no reasonable way meets the circumstances which the higher courts of justice have described in a precise way to give rise to the transfer of powers from the legislatures to parliament.

During the war, under P.C. 1003, the meat packing industry was regulated by the federal government in its labour relations. Through the appointment of an industrial inquiry commissioner, or at the later stage in 1946 by the appointment of a controller and seven deputy controllers, a stoppage of work could be avoided. Yesterday the hon. member for Winnipeg North (Mr. Stewart) was kind enough to refer to the able and effective assistance which was provided by the Minister of Labour (Mr. Mitchell) and his officials in the settlement of that industrial dispute and of those which came about during the war years and in the immediate period thereafter. Since the war, jurisdiction over labour matters which did not belong to the federal parliament was returned to the provinces on May 15, 1947. Not long after, in August, 1947, a strike broke out in the meat packing industry which kept idle six plants of Swift Canadian, and shortly afterwards spread to eleven plants of Canada Packers and six plants of Burns and Company. In all, at the peak of the strike 14,150 men were idle and 47 establishments were closed. This strike situation lasted two months. On October 18 the Swift Canadian Company and the united packing-house workers reached a settlement. An agreement was signed granting a ten-cent-an-hour wage increase, and other difficulties were solved. A few days after that, so far as the other plants were concerned the conciliation machinery of the Ontario department of labour was put to work. A provisional settlement was reached which called for an increase of seven cents an hour, with the proviso that the additional wage increase would be submitted to an arbitrator, Mr. C. P. McTague. The matter was finally closed.

Since then, for the past two years, we have had in the meat packing industry a situation which does not warrant any special attention from a legislative body such as ours The constitution absolutely closes the way for this parliament in connection with matters concerning industrial relations in the meat packing industry.

I submit that the situation now, in that industry, does not justify our interference with it. This bill is predicated upon a situation of the past and the eventuality of further difficulties in the future. But if this is so, there is no reason why the bill should leave aside all the other industries of importance in Canada, which should be regarded as industries for the general advantage of Canada.

The sponsor of the bill may take to himself the credit for having drawn our attention to this matter. He referred particularly to the effectiveness of the federal Department of Labour during the war, and the transitional period thereafter. He has recognized the soundness of our labour code. The introduction of this bill, in itself, is a recognition of the great qualities of our federal legislation relating to labour relations.

Mr. Smith (Calgary West): What does the hon. member mean by saying, "our labour code"? We all did that.

Mr. Cote (Verdun-La Salle): I submit the remedy for any abnormal situation which may exist in the field of labour relations, or which may develop in the future, should rest with the provinces themselves. They are the authorities, constitutionally, in these matters. I am sure the federal Department of Labour would be only too pleased to offer and to give the kind of co-operation it has given in the past. Does not section 62 of the labour code constitute a clear offer of collaboration in matters where the importance of a dispute in labour relations generally is nation-wide?

In view of the fact that in the immediate future there is to be a consultation between the provincial premiers and the federal authorities on matters touching the constitution, I suggest the wise course would be to let that consultation take place. There will be drawn a more precise line of demarcation between the responsibilities of the legislatures and those of the federal government. A matter such as the one we are discussing tonight, and other similar problems, could be discussed at that time.

I should think that the best way to achieve a reasonable degree of unity in labour relations, or in any other field of equivalent category, is through a process of consultation and co-operation with the provinces. In my submission, to a certain extent this has already been achieved—and achieved to an important extent, if one recalls that our labour code has already served as a model or inspiration for labour legislation in five or six provinces.

I suggest the bill before the house is not within the jurisdiction of this legislative body, and that we should not attempt to do anything which not only would be trespassing upon provincial rights but would be provocative to the provinces, the co-operation of which is so much needed at this time when, after having developed such a wonderful effort in production and in social legislation, our country now ranks among the most important in the world.

I suggest that in the interests of our country we should not attempt to lay the foundations of any further disagreement with the provinces, and that this bill should not be passed.

Hon. Humphrey Mitchell (Minister of Labour): Mr. Speaker, I shall discuss this bill briefly. Ours is a federal constitution. I know that some trade union organizations have some knowledge of the jurisdictional disputes affecting labour organizations. It is my belief that the fathers of confederation planned better than they knew when they established a federal constitution in Canada.

This bill is predicated upon the assumption of taking over complete jurisdiction in connection with labour disputes and other matters of that kind in Canada. If it is logical—and I am not now discussing the legal aspect of it—to take over this one industry, then it is just as logical to take over all industries. As I have said before in the House of Commons, Canada is not a country in the same sense as are Great Britain, Germany, France, Belgium, Spain or Holland. This is a continent.

My hon. friends smile. Let me say this, in a kindly way, to the hon. member for Winnipeg North (Mr. Stewart), that it was sweet music to my ears when he paid tribute to the Department of Labour during the war under the War Measures Act. It will be understood that I have heard different expressions of opinion.

In confirmation of what was said by the hon. member for Calgary West (Mr. Smith), when he interrupted a short time ago, let me say that I believe the labour legislation of this country compares favourably with any labour legislation under the canopy of heaven. If my hon. friend will wait just a minute he will learn something as he gets older. There is one difference between my hon. friend and myself; I know what I am talking about and he does not.

I think a tribute is due to all parties in this house for having framed our national labour legislation. We went through a stage during the great war when jurisdiction over labour matters was with the federal government. Since that time stronger labour departments have been developed in all the provinces, and in the main the basic principles enunciated in the federal labour legislation have been copied. This legislation has been in operation for two years and I think it should be given a fair trial. I think it has worked reasonably well; it certainly has worked much better than the legislation in force in other countries. In one country in particular strikes are in the offing in some national industries, something that we have not suffered in this country.

Mr. Gibson (Comox-Alberni): Touch wood.

Mr. Mitchell: I do not need to touch wood. Recently the workers' organization in the packing industry negotiated a national agreement with the large employers providing a six and a half cents per hour increase in wages. As I said before, you cannot negotiate labour agreements on the floor of the House of Commons. The proper place to do that is around the conference table and there is no substitute for it. There are countries in

Europe where that is not done at the moment, and when certain ideologies come in through the kitchen, freedom goes out the front door.

From the very nature of things the people in British Columbia have a clearer understanding of the economic conditions affecting the large industries in that province. The people in Nova Scotia I believe have a better understanding of the broad industrial problems of that province. You can go on to New Brunswick, Quebec, Ontario, Manitoba and Saskatchewan, where of course there is not much industry.

An hon. Member: But good labour laws.

Mr. Mitchell: What is the use of having labour laws if you have no industry. That is merely window-dressing. My hon. friends who come from Saskatchewan know very well that in their scheme of socialization, so-called, they have run into trouble in the industries operated by the government. Even with the wonderful labour legislation they talk of, it was not possible to prevent dislocation in those small industries—I believe one was a box factory.

An hon. Member: Shoe factory.

An hon. Member: Horse meat.

Mr. Mitchell: I just point that out in passing. I wish I had more time to speak, but I have not.

An hon. Member: You have ten minutes yet.

Mr. Mitchell: It is far better to build with candour than it is with cant. I think we in this House of Commons, we in this Dominion of Canada, particularly those of us in the industrial provinces know something about the difficulties and complexities that exist in a practical way between labour and the great industrial structures of this country. I would rather rely on our experience than on the theories of some schoolteacher or some other person. In saying that, I do not intend to be disrespectful of the school-teaching profession, but I am sure that my hon. friends would object if I tried to read a lecture on how to teach children in school. That is not my profession.

I do not say that on proper grounds and in the proper circumstances a valid declaration could not be framed to declare a meat-packing plant to be a work for the general advantage of Canada, but I point out that the express purpose of the declaration in Bill No. 5 is to enable parliament to legislate in matters of labour relations in the meat packing industry. In effect it is an attempt to do indirectly what parliament cannot do directly, since labour relations fall under the heading of civil rights and are, therefore, within provincial jurisdiction. The advice that I have from the officers of the Department of Justice is that the declaration as proposed and framed in this bill is open to very serious objections as to its validity.

However, even if the legislation were valid, and even though I were in agreement with the views of the member who has proposed this bill, that the meat packing industry should in the matter of labour relations be under the jurisdiction of parliament, I would still vote against the bill as being the wrong method of procedure to achieve the desired purpose.

An hon. Member: Who wrote that?

Mr. Mitchell: There is no equivocation about it. There is in principle nothing to prevent the extension of the principle which it is proposed to apply to the meat packing industry in this bill to any other industry where there are establishments in more than one province, as, for example, departmental-store chains and mail order businesses of all kinds. If a man were fortunate enough to own a hotel in Ottawa and one in Hull he would naturally come under the jurisdiction, as would Canadian Industries Limited which have various types of industrial establishments in a number of provinces.

The device certainly provides a very easy method of procedure for the redistribution of the respective powers assigned to parliament and to the provincial legislatures by the British North America Act. I should think it is quite apparent that legislation of the type illustrated by Bill No. 5 would be regarded by the provinces as an unwarranted invasion of provincial rights and as an opening wedge and a precedent for unilateral action by parliament, having the same effect as an amendment to the British North America Act.

Mr. Fulton: May we quote the minister on that tomorrow?

Mr. Mitchell: You may quote me on that now. Even in the case of provinces that might be favourable to the ultimate transfer of jurisdiction, in labour matters in the packing industry, from the provincial to the dominion authorities, the procedure proposed in this instance for this purpose would be regarded as objectionable.

I believe therefore that, if and when there is agreement, that jurisdiction in matters relating to labour relations in the meat packing industry should be vested in this parliament, the proper method to follow is by amendment to the British North America Act, as was done prior to the enactment of the unemployment insurance legislation.

Meat Packing Industry

Mr. Stewart (Winnipeg North): What about Beauharnois Light Heat and Power Company?

Mr. Mitchell: I will come to that if you wish. I say to my hon. friend that I am making this speech and I think I know what I am talking about. While there have been a number of instances where specific works have been declared to be for the general advantage of Canada, in any instances involving a substantial number of industrial establishments the purpose was to enable parliament to legislate so as to regulate the management and operation of the industry as a whole as, for example, in the case of grain elevators, which were declared by parliament to be works for the general advantage of Canada. The enactment of the Canada Grain Act, which regulated grain elevator operations, followed upon this declaration.

Reference was made in the debate to the legislation which was passed declaring the Flin Flon works of the Hudson Bay Mining and Smelting Company to be works for the general advantage of Canada, and it was represented that the declaration in that case constituted a precedent for the legislation put forward in Bill No. 5.

The two cases are clearly distinguishable. In the case of the Hudson Bay Mining and Smelting Company operation, the work declared to be a work for the general advantage of Canada was a mine shaft which runs across the interprovincial boundary line between Manitoba and Saskatchewan. As a work connecting two provinces, it was the opinion of the Department of Justice, as I recall it, that this undertaking fell within dominion jurisdiction without the necessity of special legislation. The two provinces concerned, however, desired to have the work declared a work for the general advantage of Canada so as to fortify the assumption of federal jurisdiction.

I should like to say to some of my hon. friends, the jurisdiction of whose provinces is very dear to their hearts, that if we in the federal parliament were to do what the hon. member wants us to do in this one particular instance, I am certain that some of the provinces would object. I am certain if I were a member of one of the provincial legislatures I would object.

I should point out, however, that the declaration in that case was an unqualified declaration. The important distinction, however, is that the Hudson Bay Mining and Smelting Company declaration covered a unique situation, and does not, therefore, establish a precedent. It also had the concurrence of the interested provinces.

[Mr. Mitchell.]

Do not overlook the fact that when an industry is brought within the exclusive legislative authority of parliament, workers in the industry lose the benefit of provincial labour legislation regulating wages, hours and conditions of employment enacted for the benefit of industrial workers in provincial industries.

Consequently, in a case such as this one which affects a large number of local plants and a large number of local workers, and in fact the major part of an entire industry, a very strong case must be made for the necessity of the declaration in order to justify it. I do not believe that those who propose this bill will have such a case.

May I say in conclusion that I suppose my department has probably worked in co-operation, and is still doing so, with the provincial governments on more matters than any other department of the federal government. I think if there had been a serious disagreement on policy we would have heard something about it in the House of Commons. I can say in all sincerity, I know that my personal relations as minister with every province in the Dominion of Canada have been excellent. I hope they will continue so, and I hope I will not be charged with the responsibility of saying to them, in contravention of the B.N.A. Act, that we are endeavouring to take away from them jurisdiction which belongs to them. I hope that when the house votes on this measure it will agree accordingly.

On motion of Mr. Byrne the debate was adjourned.

SUPPLY

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

DEPARTMENT OF AGRICULTURE

Production service—

21. Grants to fairs and exhibitions, under such terms and conditions as may be approved by the governor in council and subject to allocation by the treasury board, $475,900.

The Chairman: Shall the item carry?

Mr. Smith (Calgary West): Just a moment. You did not give me time to get my book open. I do not know what item 21 is. It is item No. 22 in which I am interested, grants to agricultural organizations.

Mr. Quelch: I wish to draw to the attention of the minister a matter that at first may not appear to be relevant, but I believe the point which I wish to make is directly connected with the item. I think the minister is aware that until quite recently it was the practice of the railways to allow a reduced rate on exhibits sent to fairs and exhibitions. I understand that rate was discontinued quite recently. Has the minister or his depart-

ment made any representations to the railways to try to get that rate reinstated? If the railways are not prepared to reinstate the reduced rate, would it not be worth while for the government to take steps to provide for a subsidy or grant? I think the minister will agree that it is to the advantage of Canada that farmers from the far corners of the nation should be able to ship their exhibits to central points. I have in mind, for instance, the royal winter fair at Toronto. It is quite an expensive matter for farmers to ship stock from western Canada to the royal winter fair. They used to receive a reduced rate, but I understand that it has been cancelled. It may not cost much to ship an exhibit to a local fair, but it is quite a heavy cost to ship livestock a long distance from western Canada to the royal winter fair or to the United States or, vice versa, for farmers of the United States to ship stock to exhibitions in Canada. Has the minister considered that matter?

Right Hon. J. G. Gardiner (Minister of Agriculture): For many years the railways gave a special rate on livestock moving to fairs, and livestock moving for certain breeding purposes, but they gave notice some time ago that the rate would not continue beyond the end of this year. It is still in existence, and has applied up until now, but we understand their intention is to remove it. We have made protests with regard to it, but up to the moment we have no definite undertaking from them that the rate will be continued beyond the end of the year.

Mr. Laing: I should like to say a word on behalf of the Pacific national exhibition. At Vancouver we have a fair that has developed very rapidly. Its president is Dr. Harry King of the university of British Columbia. Our fair is overbalanced as to agriculture for a reason that I shall try to explain. The minister is more fully aware than I am that these magnificent herds of stock go on show circuits, and they would not go out on the prairie circuit unless there was that inevitable pot of gold at the end of the rainbow in the form of considerable prizes. The Vancouver exhibition has a heavy prize list in the livestock section of the fair. To that extent, it is thereby assisting and subsidizing those herds that are on the show circuits. I would ask that some consideration be given, not a large grant by any means, but a token grant to acknowledge that that assistance is being given towards the maintenance of the show circuits.

While I am speaking, Mr. Chairman, I want to take this opportunity of joining with the members on all sides of the house in complimenting the minister on the excellent work he has done for agriculture in this country. I believe agriculture is one of the two great sources of funds for expenditure in this country, the other being the wages of labour. I believe the administration of our agricultural department has been admirable.

I should like to comment on the remark of the hon member for Medicine Hat (Mr. Wylie), who seemed to be somewhat concerned about irrigation in the province of Alberta. I want to assure him we are proud of our minister from British Columbia for the work he has done in connection with irrigation in the federal riding of Kamloops. Unfortunately for some of us on this side of the house, those who are happiest about irrigation are the hon. member for Kamloops (Mr. Fulton) and the hon. member for Yale (Mr. Jones).

Mr. Fulton: I should like to make a remark or two about this item, Mr. Chairman, but before doing so may I thank the hon. member who has just spoken for his reference to irrigation in my constituency. While appreciating all that he has said, perhaps I should point out to him that in the part of the country from which he comes the need is not so much for irrigation as for a little drought.

Mr. Cruickshank: That is what you think.

Mr. Fulton: The Fraser valley found that out last year. A lot of dams and dikes were required.

Mr. Cruickshank: Yes, and the government treated us very well.

Mr. Fulton: What we require is irrigation, extra moisture. In looking at the detail for this item as shown on page 109, I notice that practically every other province in Canada receives grants of $5,000 or more while British Columbia receives only $900. I feel that is a most inadequate grant, not only in consideration of the work that is carried on by the various fairs in British Columbia but in view of the importance of the cattle industry in that province.

Speaking from my own knowledge, we have two very important fairs in the interior of British Columbia sponsored by the British Columbia Beef Cattle Growers Association, which receives this grant of $900. Those shows are the Christmas fat stock show in the month of December and the spring show in the month of March. Both of those exhibitions attract large numbers of exhibitors from every province in Canada. I believe all members from British Columbia will feel a sense of justifiable pride when I point out to the committee that most of the beef cattle prizes at the Ontario Royal Agricultural Winter Fair in Toronto last year were won

by an exhibitor from British Columbia. I refer, of course, to the Earlscourt herd of Colonel Victor Spencer, which is bred at Lytton and on his other farm, the Diamond S ranch, up in the interior.

Mr. Cruickshank: Yes, it used to be in the Fraser Valley riding.

Mr. Fulton: Lytton once was, but the main Diamond S never was. However, let us not enter into a competition. I believe I am speaking for the whole province when I say I think a grant of $900 is most inadequate.

Mr. Fair: Is there a fair interested in agriculture—

Mr. Fulton: Could the minister give us some reason why we get only $900 when the others get $5,000? I do not believe he can.

Mr. Gardiner: I do not know just what my hon. friend was talking about.

Mr. Fulton: I shall be glad to tell the minister. I was talking about item 21 on page 109. Perhaps he would like to turn up the page.

Mr. Gardiner: I did turn up the page, but I did not find what you are talking about. That $900 is a grant to the British Columbia Beef Cattle Growers Association; it is not a grant that goes to the Vancouver A fair.

Mr. Fulton: I was not talking about the Vancouver A fair because that is not sponsored by the beef cattle growers association.

Mr. Gardiner: That is one of those sales that are held from time to time.

Mr. Fulton: I do not see any grant for the Vancouver fair here either.

Mr. Gardiner: I have it here, if you will sit down long enough for me to read it to you. The Pacific national exhibition grant is $1,000 for junior works, $500 for judges, and $3,000 for permanent improvements, making a total of $4,500, which is the total amount allowed any class A fair. The Vancouver fair, which is known as the Pacific national exhibition, has received the same grant as similar fairs are receiving. In addition to that, we have a two-way arrangement with the exhibition in Vancouver under which capitalized grants over a period are received.

I think my hon. friend remembers that some years ago I went out and opened that exhibition as the first act in starting a building program which resulted in the largest building there is on the grounds. This building was partially financed by Ottawa, just as similar buildings in Ottawa and London, Ontario, are partially financed. In other words, the exhibition in Vancouver has been well treated. I believe my files contain more letters from Vancouver congratulating us on what we have done than from any other fair in Canada.

Mr. Fulton: If you gave them $4,500, I would not be at all surprised. The item $4,500 is included in the grants to class A and B provincial summer fairs. There is an item for grants to winter and spring fairs in which I see items varying from $50,000 down to $4,500, with the exception of the miserable grant to the British Columbia Beef Cattle Growers Association of $900. It is that I am protesting, because that association, in spite of the meagre assistance from the dominion government of $900, puts on two shows a year. As I said, those shows attract exhibitors from many other provinces in Canada.

I believe hon. members will agree with me, certainly the members from British Columbia will, when I say the centre of beef cattle producing in the province is Kamloops. As I have said, the beef herd of Colonel Victor Spencer from Lytton won every major award for the white-faced class at the Toronto fair last year. I certainly believe that a grant of $900 to an association which stages two major fairs a year is most inadequate, particularly in comparison with those other grants ranging from $50,000 down to $4,500.

Mr. Gardiner: For his information, I may tell my hon. friend that that is the only show in Canada that gets that $900 grant.

Mr. Fulton: Yes, I know. The others get $5,000.

Mr. Gardiner: No, the others do not. Here is the list. For class A fairs, at Calgary their total was $3,500; Canada's Great Eastern exhibition, $4,500; Canadian National Exhibition Association, $4,000; Central Canada exhibition, $4,500. To come down to the Pacific national exhibition the amount is $4,500. The grants are just the same for all those fairs.

Mr. Fulton: I am not asking about the Pacific national exhibition.

Mr. Gardiner: In addition, this $900 grant you are talking about is not paid anywhere else except through the association you are talking about. So you are not being deprived of anything that anybody else is getting. You are getting something that others do not get.

Mr. Fulton: Look at the Great Eastern winter fair at Sherbrooke, which gets $5,000. Is Sherbrooke a great beef cattle producing area?

Mr. Weir: It is a great dairy cattle producing area.

Mr. Gardiner: That is a winter show. If you put on a winter show in Vancouver, you will get the same amount.

Mr. Fulton: We do not put on a winter show at Vancouver. We put on a winter show at Kamloops.

Mr. Gardiner: If you put on one that is similar and get the same classification for that show, they will get a grant. These grants are paid on that basis right across Canada.

Mr. Fulton: We put on a much better show. We get exhibitors from a wider area than any other show in British Columbia in connection with the cattle industry. As a matter of fact, for two years in succession the show in Vancouver was not even held.

Mr. Gardiner: It is a beef cattle and ranchers association only. It is not like those other shows at all. That other organization is a beef cattle and ranchers association, and they have obtained that grant of $900.

Mr. Fulton: May it be increased?

Mr. Cruickshank: In order to solve this problem, I should like to make a suggestion to the minister. I should like to back up the hon. member for Kamloops—anything for British Columbia—but he is all wet in his argument. The one is a fair and the other is a beef show. He knows that perfectly well. I think the solution is that this $900 be transferred to Chilliwack. We will take it.

Mr. Fair: Has the government considered replacing, if necessary, the assistance that has been given by the railroads to those who are sending exhibits to the various exhibitions?

Mr. Gardiner: If I were to answer that question in the affirmative, I am sure it would be the surest way of seeing to it that the railways would never provide it again. I am not going to give any such undertaking as that tonight. We are still discussing the question with the railways.

Mr. Fair: We will discuss that matter a little bit later on when we find out definitely what the railroads' answer is going to be.

Mr. Higgins: Is there a grant of any amount to Newfoundland for fairs or exhibitions?

Mr. Gardiner: Newfoundland will be entitled to grants on exactly the same basis as organizations in other provinces in Canada. I can assure my hon. friend that the matter will be checked up and they will be treated just like everybody else.

Mr. Browne (St. John's West): This is the season for fairs. I think it is worthy of comment to point out that there is no vote, either here or in the supplementary estimates, for Newfoundland fairs during this season.

Mr. Gardiner: There is nothing voted in that way in connection with any of them. There is a vote of $250,000 to make provision for grants to fairs. If there is a fair in Newfoundland that meets the conditions required in order to put it in the B or A class, it will be treated the same as a similar fair anywhere else is treated.

Mr. Higgins: Can we get the balance that is left from the $250,000?

Mr. Jones: Will the minister explain the classifications for fairs. The fair at Vernon could not quite qualify because it is a semi-agricultural and a semi-industrial fair. I think they are doing good work. They are promoting a good deal of assistance to the agriculturists of that area and are deserving of help. They have been turned down on a technicality.

Mr. Gardiner: The fact that they are partly industrial and partly agricultural does not disqualify them. All of the fairs I have been speaking of are partly agricultural and partly industrial. The fair must have paid for three years a prize list amounting to at least $3,000. If they have fulfilled that condition each year for three years, they are entitled to be considered as a B fair. It is to B fairs that we are making payments, and to A fairs. The A fair has a higher qualification than the B fair.

Mr. Fraser: The grants for permanent buildings amounting to $3,000 were put in force many years ago; I think it was nearly fifteen or twenty years ago. Am I right on that point?

Mr. Gardiner: This particular system, as it is now provided for, was established in 1945. Prior to the war we had a system of making grants, but it was not exactly the same as it is now.

Mr. Fraser: Yes, but it was the same amount, was it not?

Mr. Gardiner: It was a similar amount; I do not think it was exactly the same.

Mr. Fraser: I just wondered if the minister had considered raising that amount for permanent buildings, because the fairs find it hard to get their buildings put up, and they all need new ones.

Mr. Gardiner: At the beginning of the war we discontinued all grants to exhibitions. Before the war began there was a good deal of difference of opinion as to how these grants should be based. Then at the end of the war the Canadian National Association was called together, and they met with representatives

of the government and worked out this present plan. It was unanimously agreed that this was the system that was to be brought into effect and it was finally brought into effect.

Mr. Fraser: What I am getting at is this. In 1945 the cost of buildings was not as high as it is today. The cost has gone up nearly one hundred per cent. I think the minister ought to consider the suggestion I have made.

Mr. Black (Cumberland): Before the item carries I would ask the minister if he would furnish the committee with detailed information as to the distribution of the amounts paid out under this heading in the last fiscal year. Under the heading, grants to class A and class B fairs and provincial summer fairs, the amount shown is $206,500. Will the minister give the committee the information, or put it on *Hansard*, as to just where this sum of $206,500 was distributed last year?

Mr. Gardiner: I read that information into *Hansard* the last time we were on these estimates.

Mr. Black (Cumberland): Do I understand that information is now on *Hansard*?

Mr. Gardiner: I understand so.

Mr. Black (Cumberland): That is satisfactory.

Item agreed to.

Production service—

22. Grants to agricultural organizations, as detailed in the estimates, $43,500.

Mr. Smith (Calgary West): The details of this item are to be found at page 110. The item in which I am interested is Canadian national livestock records. The amount is only $18,000, and it is exactly the same as it was last year. These records represent the government's keeping track of records of various associations having to do with livestock. I am anxious to say at the outset that the records with respect to cattle are well kept and have a splendid reputation and are accepted for example at the Chicago livestock exhibition as being final and first class. In regard to thoroughbred horses, they are not worth a nickel. You cannot race any thoroughbred horse on any track in Canada, for example the Calgary track, unless that horse be registered with the New York Jockey Club. What I am saying is not a criticism.

Then, coming to the animals in which I am so much interested, I am glad we have a new member for Regina City because he is interested in the same animals, namely, hunting dogs. Suppose I have a dog and he is worth $50 as an unregistered dog. I registered it in Canada and it is probably worth $45 by the time I have done that, irrespective of what it costs me to register it. It is nothing; it is no good; it does not mean anything. The only place you can register a purebred dog and get any assistance from that registration is in Chicago, in a newspaper which I think is called *Kennel and Bench*. My hon. friend who was so annoyed with me a moment ago thinks that you bench only judges. You bench dogs occasionally. Some of the judges I know would be better on another bench, but that is neither here nor there. What I am talking about, trying to get suggestions from the minister, is this. I am trying to get some way of improving the character of registration of purebred animals in Canada. It seems to me that we have, or should have at least, come out of our swaddling clothes in connection with these things. I do not know what the $18,000 is spent for. It is not very much; but, whatever it is spent for, we are getting nothing from it. We might just as well save our money and get one of these machines on which you copy things out and put them on files which are never read by anybody. It seems to me that these Canadian livestock records could be elevated into a lot higher position than they hold in North America.

With respect to purebred racing stock, I think, although I am not sure, there is some arrangement between the stud book in England and the New York Jockey Club under which animals are registered in either place and may race in either country. I know that it applies to France. I think there is an interchange between the three countries. But I have no race horses. Perhaps that is the reason I was able to pay my way down here. I mean the sleeping accommodation. The rest I got on a pass. The point I am trying to make is that with a little life, a little initiative, a little enthusiasm somewhere there is no reason why Canada should occupy the backward position which we do occupy.

May I make it plain, Mr. Chairman, that I know this grant is only in aid of organizations. The government does not register animals, be they cattle, thoroughbred horses, or Dr. McCusker's dogs, which of course are a breed all their own. Surely we can do something with this $18,000—make it $36,000 or some other figure—to elevate the classification given our purebred stock in other countries.

I gave the minister notice of my question in an informal way. He has Mr. Taggart in front of him. I am sure he is tired of dealing with dead animals. He was in the meat business for a long long time. I should

like to hear from the minister on the matter. I am quite sure that we can get some assistance here to put our livestock records on a par with, or perhaps even better than, those immediately to the south of us. I would not spend 10 cents on registering an English setter in Canada. It is no good to you. The same thing applies to the Labradors of the hon. member for Regina City. We heard a lot from the Minister of Justice about the badge of colonialism. This is a badge of inferiority. If he interested himself in it he would go a great deal farther than he did the other night on the badge of colonialism.

Mr. Gardiner: The records work in connection with the pedigrees of livestock is not taken care of by the government. The records are kept by an organization that is set up by the breeders' association. It is an organization of Shorthorn breeders, Holstein breeders, Clyde breeders and all breeders of livestock. I think these records are accepted by people who are desirous of purchasing purebred stock as of much the same standard or on much the same basis as are the records either of the United States or of Great Britain.

Mr. Smith (Calgary West): I agree with that.

Mr. Gardiner: I do not think our records are ever questioned in the United States on any of our livestock or on any of the animals that are registered under it. We pay $18,000 to that organization in order to assist it in conducting an office here in Ottawa, set up by itself and not by the government, just as we do make grants to some other organizations that are carrying on work in connection with agriculture.

With respect to horse racing, that is an entirely different thing. My understanding has always been that those who own thoroughbred running horses here and who want to race them in the United States, or want to have the benefits of the much wider range of the races they have there, must register them with that organization, and that there is reciprocity back and forth. Their horses come here and our horses go there. That is an arrangement among themselves.

Mr. Smith (Calgary West): They are all registered with the New York Jockey Club.

Mr. Gardiner: That is an arrangement that is carried out as between the people who are interested in racing all over the United States and this country. There must be some central place of registration—I presume there must be—and they compel the registration of all horses there. That is not something that the government does or can undo. We do not know what action we could take in order to undo it.

With regard to dogs, perhaps there is some justification for the criticisms which are made. The kennel association has no more authority than has the Holstein association or the Shorthorn association or the Clyde association or any other. They have no more authority than these others have, but I must say, in so far as our experience with the kennel association is concerned, there has been more trouble in connection with the manner in which it has conducted its affairs than there has been with some of the others. I am not going to try to say what the reason for that is. All I am going to say tonight is that last session we introduced a bill. It was introduced in the Senate. It passed through the Senate, and had its first reading in the house before parliament was dissolved. That bill was brought in in the first instance to correct a difficulty which had been experienced among dog breeders, and those who were showing dogs, by amending the whole act and not giving the range of authority to any of the associations that they were presumed to have before. I am not sure that the bill has yet been introduced into the Senate at this session, but if not it is on its way there. It will be in the house immediately after it passes the Senate again.

We can then discuss this whole question as to whether the bill takes care of the difficulty mentioned by the hon. member for Calgary West. We realize there are difficulties. For two or three years we have been struggling with them, and we drafted legislation two years ago in the first instance. That legislation reached the house last year, but unfortunately it had not gone all the way through before parliament dissolved. It will be back this session, and I hope it will have its final reading.

Mr. Cruickshank: Will they include tomcats too?

Mr. Pearkes: In these exhibitions where there are classes for thoroughbred mares and foals, and thoroughbred yearlings, do they have to be registered with the New York Jockey Club before they can be shown in the exhibition class?

Mr. Gardiner: No, I understand not—just for racing.

Item agreed to.

23. Marketing service—marketing service administration, $150,090.

Mr. Knight: Mr. Chairman, I should like to say a word with respect to an item which perhaps is as applicable here as at any other

point in the estimates. Hon. members opposite spent an hour discussing matters connected with meat packing, and it should be a comparatively simple transition now to discuss the matter of meat wrapping.

The other day a distinguished visitor expressed himself as being amazed at the pains we take to wrap meat in what he considered fancy packages. He was astonished that under the present condition of the high cost of living we should spend our money in that way rather than spending it on more of the material wrapped. I wonder whether we as consumers actually insist upon these fancy wrappings, or whether they are forced upon us?

It was by sheer accident that only this morning I happened to pick up the report of a questionnaire and the answers thereto sent out by, I presume, a body of women, known as the Canadian Association of Consumers. They circularized their members with questions in regard to this particular matter, and the answers are interesting. Some of them maintained—and I suggest that some department of government should take note of this—that it was impossible to buy many products in other than these so-called fancy packages in their particular districts. The answers mentioned several commodities, emphasized the needless expense involved in fancy wrappings of certain items, and mentioned in particular some of the lithographing appearing on these wrappings.

But, sir, there are some marketing practices which are perhaps even questionable. Before the cost of foods became so high, certain vegetables and fruits were put out in 20-ounce cans. It was discovered however that with the high cost of living the average family found that these items were somewhat expensive. The result was that the manufacturers produced a 15-ounce can, these being placed on the shelves currently with the 20-ounce can.

The difficulty however was that after a while the 20-ounce can began to disappear, and it was discovered that the 15-ounce can became the regular item available for purchase. But somehow or other, the price of the 15-ounce can began to approach the price of the 20-ounce can, with the result that we have the substitution of 15 ounces of food for what was formerly 20 ounces, but at the same price.

This reminds me of the days when I was homesteading. I remember the transitional period between the five-pound tin of jam which eventually turned into a four-pound tin of jam, but at exactly the same price charged for the larger can. This is an old device.

[Mr. Knight.]

This matter of packaging may be a small thing to bring up in parliament; but after all we come in contact with these small things in our daily lives and in our housekeeping arrangements. These matters have some importance to us in the House of Commons who represent the people, and particularly the housewives of this country.

The hon. member for Fraser Valley is not in his seat, but hon. members will recall the agitation which developed and the great joy taken by the hon. member for Fraser Valley in pointing out the miserable, little green and worm-eaten peaches with which Ontario had been afflicted in that particular season. Let me say to the hon. member who provided us a few days ago with some very fine peaches that there was no condition like that this year.

On that occasion the hon. member for Fraser Valley protested against the glamorizing of those hard and unpalatable peaches by the use of pink gauze, which made them look rather attractive, and resulted in their being purchased readily, but were the source of great disappointment when the fruit reached the buyer's home.

I understand that the use of deceptive devices of that sort, and in particular that type of netting, was declared illegal—and in my opinion properly so. I do not know by what process, whether it was by a dominion or a provincial law.

At previous sessions the minister and I have had occasional arguments about the quality of Canadian bacon. Tonight I intend to talk for a few moments about the wrapping on that same bacon. I was surprised the other morning when, after someone had bought a package of bacon—I was going to say at our house, but we have never had a house or a dwelling of any sort since coming here, although we still do have bacon—we discovered this peculiar wrapping.

I notice the minister is looking toward me and I am sure he would imagine that what I now hold in my hand is a nice, clean piece of back bacon. May I inform him that it is no such thing. When it is sold in sliced form bacon is wrapped in cellophane. If this were a nice, clear piece of cellophane through which one could see clearly, I would have no complaint to make about it. It is a sanitary packaging, even if it is costly.

Formerly packaged bacon was wrapped in clear cellophane. It was noticed, however, that in the packaged bacon the slices were laid in the package so that the lean showed and the fat did not show. The fat showed on the last slice—but there has to be a last slice of everything. Otherwise one would think that it was all lean. However when it is opened up, and you are prepared to

try it, you find that you are buying lard at the same price as you expect to pay for lean meat. Now they have thought up this new dodge, and I think they have crossed the borderline between honesty and deceit.

I do not know whether the practice is universal, but I can say that in respect of the two brands we have purchased—and this one I hold in my hand is Maple Leaf brand, from Canada Packers—the bacon is now wrapped in cellophane with red lines on it. This bacon is wrapped in cellophane on which a series of red lines are printed. From across the counter it makes bacon look pinker and perhaps encourages the customer to buy, because he thinks he is buying lean bacon. I suggest that it might be a device to cover up the fatness of the bacon in the package. I do not know whether there has been any change in the quality since this device has been adopted. When you see a package of this bacon you might think you were getting a bit of Irish bacon, that nice bacon with alternate strips of lean and fat. In my opinion that result is obtained only by the farmer who keeps one pig that is fed preferably on buttermilk and potatoes, corn meal and table scraps. They have never been able to achieve that result when hogs are fed in quantity. They are generally fed too much grain and too little of other things.

Having talked a bit about bacon, I shall come back to the package. I shall conclude my argument by submitting that this type of package should be prohibited by law in that it is deceptive. When I picked up this morning the questionnaire I mentioned, I was surprised to find that this very subject had been dealt with. I did not know that these ladies had taken cognizance of this matter. At the bottom of this particular pamphlet put out by the Canadian Association of Consumers I find set out the answers received to questions asked in connection with this very thing. One question was:

What is your opinion of the red and white striped bacon wrapping?

The opinions were compiled as follows:

(a) Over 61 per cent thought it deceiving.

(b) About 15 per cent were indifferent or had not noticed that type of wrapping.

(c) About two per cent preferred that type of wrapping.

(d) Less than two per cent thought it better quality.

(e) Over 19 per cent stated they preferred plain wrapping.

Some of the comments were:

Misleading and annoying, deceptive, too much fat, think they are trying to fool the buyer, the dye comes off, detracting to quality, a snare and a delusion, taints the meat, looks messy, keeps too moist and hastens molding, silly and unnecessary, takes the clerk's time opening it up to show the customer, eye appeal and draws the crowd.

I would not think the red dye would have anything to do with the molding, but that that would be due to the close cellophane wrapping. There are too many ways in which businesses, large and small, set out to deceive the buyer. I admit that it may be fair enough to offer a horse on the end of a halter, as the dealers say; I know that *caveat emptor*, or let the buyer beware, is an admonition that one should heed, but when one buys a horse on the end of a halter he has a right to expect at least that his blemishes have not been disguised with paint of the same colour as his hair. I say to the minister that this practice of deceptive wrapping and others like it should be discouraged. If there are laws preventing this sort of thing they should be enforced. In the meantime I should like to have the minister's comments.

Mr. Gardiner: In so far as cans are concerned I think there used to be 145 different sizes and forms. Through agreement and regulation this number has been reduced to about 40. This was not done for the purpose of increasing the cost; it was done for the purpose of lowering the cost.

I realize that one can say that for a period of time the price of meat has been going up, but the fact is that the price of meat has been going up constantly since 1938. It is very difficult to say whether it has stopped going up or not at this time. Anyone could quote figures for any part of that period to indicate that no matter what you did with cans or what you did with wrappers the price of meat has constantly gone up.

The hon. member referred to the bacon wrappers. I do not know very much about that because when bacon is bought for our house I do not buy it. However, I do notice that often it is in these wrapped packages and I notice also that that is true right across the country. I suppose those who have the product for sale are trying to put it up in the form in which people are most likely to buy it. If somebody in Canada Packers has made a mistake in the type of package they are using, if it does not suit the public, then I presume it will not be very long until Burns or Swifts will find that out and put out some other form of package. In any case the public buys it.

The hon. member wants to know who has control over this. In so far as the last few weeks or possibly months are concerned, this government certainly would have no control or at the most very little. We have not been able to get any bacon to send out of the country and our control is confined to the regulation of products in international or interprovincial trade. There is very little bacon crossing even the provincial boundaries at the

present time as most of the bacon produced is consumed in the province where it is produced. Therefore the control would be entirely with the provinces.

The province in which we are now meeting is perhaps the highest producer and the greatest consumer of pork products. If there is anything seriously wrong with the conditions under which this particular product is being marketed I have no doubt they will see fit to take action in connection therewith. In so far as we are concerned, we could take action only with regard to a very small percentage.

During the period when we were sending 700 million pounds of bacon to Great Britain we had considerable control over what was done. We had the War Measures Act, but even if we had not we still would have had considerable control when such large quantities were being shipped.

Mr. Knight: Just as a matter of interest, would the minister state what method was used to stop the use of coloured gauze on peaches?

Mr. Gardiner: We put out an order and if my hon. friend will go back and read the newspapers of the time he will find that we were told the next morning that it was really none of our business. As a matter of fact our order did not have much effect, but the Ontario government took some action and others took action and the final understanding was that the gauze would not be put on peaches.

Mr. Fraser: The minister will remember that it was the hon. member for Fraser Valley (Mr. Cruickshank) and the member for Peterborough West (Mr. Fraser) who did a lot of talking against it in the house, and public opinion eventually demanded that it be taken off.

Mr. Hatfield: Is anything being done in regard to recovering our markets in blocked sterling countries such as the West Indies? They will not allow sterling to be sent to a dollar country. We have a Canada-West Indies treaty. We have a steamer service, and our boats are going down there empty. We are not allowed to ship any goods there. We have lost that market. Has anything been done since sterling was devalued? When sterling was at a higher level Great Britain had to protect it up to $4.03, but it is now $3.07¼ and they do not have to protect it. Has anything been done to persuade the British to allow sterling to come out of the British West Indies for agricultural goods purchased from Canada?

Mr. Gardiner: I do not know whether or not the house will permit me to put this table on *Hansard,* but I will indicate what the purport of it is, and if it is desired to have it on *Hansard* that can be done. I think it will at least refute some of the suggestions that are made in asking for certain information.

The Department of Agriculture is concerned of course in seeing to it that all of the produce of the farms is sold. We are not so much concerned whether it is sold in the West Indies or whether it is sold somewhere else, but we are concerned that it all be sold. I should like to place on *Hansard* a table which I compiled this afternoon from much more complete records I have here, but which would take far too much space in *Hansard.* I should like to indicate just what the position has been. I have purposely left out of this table all of the years except 1938, 1944 and 1948. I stopped with 1948 because that is the last year for which we have information. I have had to take 1947 as to apples and potatoes, and also with regard to some items of honey, because complete records for 1948 were not provided to me for those products.

By way of illustration, let us begin with one of the grains that all farmers are concerned with, oats. If I were to take wheat —I have wheat in the table and it will be there if the complete table is put on *Hansard*— it would not concern so many farmers as oats does. The production of oats in Canada in 1938 was 371 million bushels. In 1944 the production was 500 million bushels, and in 1948 was 358 million bushels. The year 1948 was not a good crop year in many parts of Canada, but the margin between 1938 and 1948 is not very great, 371 million in 1938 and 358 million in 1948.

As to barley, production in 1938 was 102 million, in 1944, 195 million, and in 1948, 155 million. In other words, barley production has risen considerably, and that is partly because the acreage is up.

The domestic disappearance of oats in 1938 was 332 million bushels; in 1944, 424 million bushels; and in 1948, 325 million bushels, just 7 million bushels difference between 1938 and 1948. The figures with regard to barley are 81 million, 172 million and 136 million.

In those figures as to the production and consumption of grains I have omitted the years 1942 and 1943 because we were paying farmers to do certain things with regard to those grains and the figures would be much higher than the figures I have used here for 1944.

Taking exports, we exported 13 million bushels of oats in 1938, 86 million bushels in 1944, and 23 million bushels in 1948. For barley the figures are similar, but if I am

permitted to do so I will put the whole table on *Hansard* and then I will not need to read all these figures. So far as oats are concerned, we had a carryover of oats at the end of the year 1938 of 49 million, at the end of the year 1944 of 98 million and at the end of the year 1948 of 58 million. The set of figures that refers to oats and barley has to do with grains that are used to feed other products.

When we come to beef we find that in 1938 the production was 588 million pounds; in 1944, 924 million pounds; and in 1948, 891 million pounds. Taking domestic disappearance, consumption of beef, it was 563 million pounds in 1938, 785 million pounds in 1944, and still remains at 734 million pounds in 1948. It was considerably over 800 million in 1947, the year before.

As to pork products, production in 1938 was 646 million pounds; in 1944, 1,737 million; and in 1948 it is still 1,046 million pounds. That is as against 646 million pounds in the year before the war; and for the last year for which we have figures it is 1,046 million pounds. When you come to home consumption, it was 483 million pounds in 1938; 1,056 million pounds in 1944, even in the middle of the war, away above what it was before, and even higher than it is now. It was 839 million pounds in 1948, which is very close to double what it was in the years preceding the war. We are consuming the pork in this country.

Our exports of pork products in 1938 were 178 million pounds; in 1944, 717 million pounds; and in 1948, 226 million pounds. Our exports were still higher in 1948 than they were in 1938 by a considerable margin. We had a carryover of 27 million at the end of the year in 1938, 49 million in 1944, and 16 million in 1948.

I do not think it is necessary for me to read any of the other figures if I am permitted to put the whole table on *Hansard*. I have here butter, cheese, poultry, eggs, apples and other products. There is a very interesting thing about apples. When you look at these figures you find that our production of apples in 1938 was 15·6 million; in 1944 it was 17·8 million; and the production in 1947, which is the last year for which I have a record, was 15·6 million. The production for 1948 was a little over 13 million.

Let us take domestic disappearance, which is the important factor in connection with apples. In round figures the disappearance in Canada, that is, the marketing of apples in Canada, was 7 million bushels in 1938, 12 million bushels in 1944 and 14 million bushels in 1947. In other words, there were twice as many apples marketed in Canada in 1947 as there were in 1938. I have always understood the problem in connection with apple marketing in this country was the fact that, prior to the war, fifty per cent of our apples were marketed in Great Britain.

Mr. Fulton: Will the minister say from what country we imported apples last year?

Mr. Gardiner: I have not any figures here for imports.

Mr. Fulton: I did not know we imported any.

Mr. Gardiner: I did not know that we had, either.

Mr. Fulton: You said we consumed a million more bushels than we produced. You said we produced 13 million bushels in 1948.

Mr. Gardiner: When I started to give the figures relating to apples, I explained that the production figures were for 1947, not 1948. The production figures for the year 1947 were 15·6 million bushels and the Canadian consumption was 14 million.

Mr. Fulton: When you said "last year" you meant 1947.

Mr. Hatfield: I asked the minister a question about blocked sterling and he goes on to talk about grain.

Mr. Gardiner: You based your statement about sterling on the fact we were not marketing our farm products. I am trying to show you that statement was not correct. Of potatoes, which my hon. friend has on his mind when he talks about the West Indies, our production in 1938 was 60 million bushels; in 1944, it was 82 million; and in 1947, 75 million. Our domestic disappearance in 1938 was 58 million bushels; in 1944, 72 million; and in 1947 it was 68 million. After the war, our disappearance was about 10 million bushels more than it was before the war.

Mr. Hatfield: What about 1948?

Mr. Gardiner: As I explained, I have not the figures for 1948 for apples or potatoes. I think my hon. friend will find production was very high in 1948, and some trouble was experienced marketing potatoes. Something over a million dollars was spent in order to help market those potatoes, and I think they were successfully marketed.

Mr. Hatfield: A million dollars was spent to help us dump them.

Mr. Gardiner: You fed them to your pigs just as you did before, and were paid for doing so.

Mr. Hatfield: Some were resold, but most were dumped.

Mr. Gardiner: The purpose of this chart is to show members just exactly what has happened in connection with production and

domestic consumption. If I have the permission of the committee, I should like to have this table reproduced in *Hansard*.

With regard to exchange, I may say that exchange is not my particular responsibility. I am not going to attempt to explain the intricacies of it tonight. If my hon. friend wants to find out what the views are with regard to the possibility of accepting sterling instead of dollars for our products, then I would suggest he discuss that matter on the financial estimates because those officials are familiar with the whole question.

Mr. Hatfield: We are talking about the marketing of agricultural products.

Mr. Argue: While the minister is dealing with production figures, I wonder if he could inform the house what stocks of butter are on hand and whether or not he thinks those stocks are excessive? Does he expect the government will be able to get rid of that butter? Will the floor price under butter be continued for another year?

Mr. Gardiner: A long-term record is about 63 million pounds of butter in storage at this time of year and, in previous years, that butter has been held by various concerns. This year, on a similar date, there are 66 million pounds of butter in storage. The government holds about 46 or 47 million pounds of that and the trade holds the remainder. I may say that the trade has taken much more into storage since the announcement in August of our intention to market the butter at a price that would give us a clearance above the 58-cent floor price. After that statement I presume the trade has taken for granted that they will be permitted to do the same and will, therefore, carry on business in the usual way.

The government's intention is not to go into the wholesaling or retailing of butter. We have all the records of the stock these companies have held in storage in the past and we have records of what they required in order to supply their customers. From time to time these companies will be supplied with butter and the butter will be sold at wholesale and retail in the same manner it has been previously. Our estimates indicate there will be no great difficulty in connection with the handling of the butter. We have not experienced any difficulty in connection with the trade or anyone else in the handling of it up to date and we have no reason to believe we will.

I may give some further figures which may be of interest to the committee. We have now about 15 million pounds more butter in storage, held by both the government and the trade, than was held on the same date a year ago. It will be recalled, however, that we had to purchase 15 million pounds of butter in order to supply our own market. From this it will be seen that we have no more butter this year than was made available last year. To answer the question more fully, I shall read the figures with regard to butter similar to those I read with regard to the other products a few moments ago. In 1938, butter production amounted to 360 million pounds; in 1944, it was 403 million pounds; and in 1948, 407 million pounds. In 1938 the domestic disappearance was 345 million pounds; in 1944, 357 million pounds; and in 1948, 375 million pounds. The exports were very small, being 4 million pounds for the first year; 5 million pounds for the second year; and ·8 million pounds for 1948. The surplus we had in Canada in 1938 was 45 million pounds; in 1944, 41 million pounds; and in 1948 it was 32 million pounds. Those figures will be in the table which I have indicated will appear in the records. It would seem that our position now is not any different, to any considerable extent at any rate, from what it has been in any one of the fifteen years I have been in the department. I am sure it is not much different from what it was 20 years before that. I will hand the table to *Hansard*:

	Production			Domestic disappearance			Exports			Carryover		
	1938	1944	1948	1938	1944	1948	1938	1944	1948	1938	1944	1948
	million bus.			million bus.			million bus.			million bus.		
Wheat	360-	416-	393	123-	172-	141	160-	343-	231	103-	258-	99
Oats	371-	500-	358	332-	424-	325	13-	86-	23	49-	98-	58
Barley	102-	195-	155	81-	172-	136	15-	39-	21	13-	29-	29
	million lbs.			million lbs.			million lbs.			million lbs.		
Beef	588-	924-	891	563-	785-	734	5-	107-	127	19-	32-	29
Pork	646-	1,737-	1,046	483-	1,056-	839	178-	717-	226	27-	49-	16
Milk	16,000-	17,600-	16,500									
Butter	360-	403-	407	345-	357-	375	4-	5-	·8	45-	41-	32
Cheese	125-	183-	89	42-	55-	46	81-	131-	40	31-	40-	32
Poultry	179-	272-	227	176-	255-	228	2-	16-	15	7-	19-	13
Eggs (million doz.)	213-	361-	356	217-	284-	272	2-	56-	88	3·6-	27·8-	5
	million bus.		1947	million bus.		1947	million bus.					
Apples	15·6-	17·8-	15·6	7-	12-	14	9-	5·5-	2			
			1947			1947						
Potatoes	60-	82-	75	58-	72-	68	2-	10·7-	6·7			
	million lbs.		1947	million lbs.			million lbs.					
Honey	46-	36-	37	40-	36-	38	5-	34-	9			

Mr. Harkness: I want to ask the minister if he thinks he was quite fair in relating the stocks of butter on hand at the present time to the stocks that were on hand on the same date in previous years? He must realize, as everyone else does, that people are now able to buy margarine, which I am sure will have quite an effect on the disappearance rate of buttter. I should like him to comment on that particular phase of the matter. Has the department made an estimate of how much butter is going to disappear as compared with the disappearance rate in the past? This is the season when butter that was accumulated during the summer is released to the trade. I am sure the minister does not want us to expect that the same thing that happened in the past will happen today, and that this butter will rapidly disappear.

Mr. Gardiner: The same thing is not going to happen this year as happened some years ago when other governments dealt with oleomargarine. We have seen to that. A floor price has been put under butter. I am not going any further into the matter than to say the same thing did not happen this year with regard to butter as happened when oleomargarine was brought in before. At that time butter was up, as I recall it—and I am speaking from memory now—around 70 cents a pound, and before they got through with the experiment it was down in the twenties. This time butter was held up around 70 cents a pound when oleomargarine was introduced; and there is no doubt in my mind that, if the government had done nothing about it, butter would again have gone down to at least 40 cents and might have gone down further. But the government put a floor under it and kept it at 58 cents during the summer. The policy that is being followed is one of stabilizing the price; it is not one of holding the price up to the consumer but one of stabilizing the price at around 58 cents. The government has some 46 million or 47 million pounds of butter in its possession in order to see to it that no one charges an outrageous price for butter between now and next spring, when our cows go out on the grass again to produce butter in great quantity. In other words, there is some regulation upon it. While the farmer benefited during the summer months by the fact that the price did not run down, the consumer will benefit during the winter months by the fact that it will not run away up out of all proportion to what it should be.

To answer the other part of the question, as to what difference oleomargarine has made, I am not too sure. Last spring everybody was telling me that no one knew the difference between oleomargarine and butter, but along in the middle of the summer oleomargarine went down from something over 40 cents to around 30 cents, while butter was holding at 58 cents. Some people must have known something about it.

I was just telling someone across the floor tonight that I had something to do with a massive Great Dane dog that was fond of butter. His mistress gave him bread with butter spread thickly on it; but being Scotch, she came to the conclusion that there was no use spending so much money, so she went and got a pound of oleomargarine and spread the bread with it. The dog sniffed at it, put his tail between his legs and went and lay down in a corner as far away as he could get from it. In other words, if individuals do not know the difference between butter and oleomargarine, dogs do.

I do not know whether or not oleomargarine is entirely responsible for the lower consumption recently; but the consumption of butter during the last few months, as compared with the months immediately preceding, is down about 3 million pounds. That does not get it down to the long-term average, but it is down by 3 million pounds. That is shown by the records that we are able to compile. Our records are confined to the storages, and are based upon the records in a number of cities across Canada. But everyone in this committee knows that today there is a great deal of butter stored in freezers all over the country; and I am not so sure that the 3 million pounds that is indicated as the reduction, on the general statistics as we have compiled them over the years, indicates the true picture. There is a possibility that the consumption is not down as much as has been suggested by the figures I have given. But the outside figure in any case is 3 million pounds down in the last few months as compared with those immediately preceding.

Mr. Fulton: On this item, is the minister able to say anything in connection with the marketing act which was introduced at the end of last April, at the end of the session of the previous parliament? Have any requests been received from the provinces for application of dominion authority in the marketing of any of their produce, or has the act been applied as yet?

Mr. Gardiner: There have been three occasions on which it has been applied. The Nova Scotia apple marketing board made application quite early, and they were granted the authority; the tree fruits board of British Columbia also made application and were granted authority; and only today I signed

an order in council granting the authority to the vegetable producers of British Columbia.

Mr. Fulton: Apart from the Nova Scotia application, which I think was in connection with export trade, were the other applications concerned with interprovincial trade or export trade?

Mr. Gardiner: They will include both, but I imagine that quite a part of the operation will be interprovincial. They have, however, power to do both.

Mr. Herridge: I was happy to see a news item in the paper a few days ago to the effect that a considerable quantity of apples was going forward from Canada to Great Britain out of this year's crop. According to the news item, a portion of those apples was being paid for by Britain and a portion was being paid for by Canada. Can the minister give the committee some information as to the quantity and the distribution of those shipments in Canada? In addition to that, I notice that the statement indicated that the British government had agreed that the fruit organizations of this country or others could ship gift apples to Britain direct to the consumer. Will the minister tell the committee what the situation is?

Mr. Gardiner: As I remember the transaction, it was to this effect. When the Minister of Trade and Commerce was over in Britain he negotiated an arrangement with the British government whereby there would be taken from Canada $3 million worth of apples; and at that time what was in their minds mostly was Nova Scotia apples. The arrangement was that Britain would pay the first $1,500,000 and that the Canadian government would finance the second $1,500,000. Up to date the Nova Scotians have agreed to ship 400,000 barrels of apples. The item in the press the other day stated, I believe, that British Columbia had also undertaken to ship approximately 450,000 barrels. That should have been boxes, which means that the amount is a little more than one-third of what Nova Scotia has agreed to ship up to now. But I understand that there is another quantity of something over 100,000 barrels which has still to be taken up. From what I said a few moments ago, it will be evident that there will be no difficulty about the financing of them. The quantity which it has already been arranged should be shipped from Nova Scotia and the quantity being shipped from British Columbia will much more than make up the $1,500,000 that Britain has agreed to pay, and the remainder will go forward to all intents and purposes in the nature of a gift, because the Canadian government is paying for them; and they will go forward. There cannot be any question about the total amount going in due course and the apple growers receiving the full amount for the arranged shipment.

Mr. McLure: A little while ago the minister was speaking about margarine. What is the cost of manufacturing a pound of margarine as compared with a pound of butter? There has always been some dispute over this matter. Surely the Department of Agriculture will have some figures on the actual cost of margarine.

Mr. Gardiner: I cannot say what the cost of producing oleomargarine is. I can only assume that, when the manufacturers reduced the price from somewhere in the forties down to somewhere in the thirties, they would still get their cost of production. I do not think they would have reduced the price below that. I assume it is somewhere in that neighbourhood. I am not in a position to say how much. I am bound to say it would be very difficult to state what the cost of producing a pound of butter is. It is certainly much less in the summertime than it is in the wintertime in most sections of Canada, and at 58 cents as a floor price I am quite sure that in most cases the farmer should make a profit. There may be some areas where he does not, but I do not think he would produce very long if he could not make a profit at 58 cents in the summertime. In the winter there may be places where it may be difficult for him to produce at 58 cents. I would not like to argue that point with anyone. But I think it is right to say that over the whole twelve months in any part of Canada where they should be producing butter to be marketed farmers ought to be able to make a profit at the present level.

Mr. McLure: Margarine is manufactured from oils which are imported. It should be easy to find out the cost of a pound of margarine. The Department of Agriculture must know that it is different from manufacturing a pound of butter. Different things go into it. These people are buying the oils. The minister knows the set-up. The government took all the duties off so that they could make it as cheaply as possible and get as high a margin of profit on it as they could. If we had the figures, this committee would learn that it does not cost 20 cents to manufacture the finest margarine that is put on the market.

Mr. Fulton: That is still no good.

Mr. Higgins: Did I understand the minister to say that he had a list of the average retail prices of butter in the different provinces?

Mr. Gardiner: I presume what my friend has in mind is the average price in each province.

Mr. Higgins: Yes, that is what I meant. What would the average price be in the province of Newfoundland?

Mr. Gardiner: The table which I put in dealt with the setting of the floor price. It takes 58 cents at Montreal as the basis. Basing it on 58 cents at Montreal it is about two cents lower in Winnipeg, which makes it 56. It is 2½ cents lower in Regina, which makes it about 55½. As we go west it goes up again in British Columbia. The reason for that is that their butter is largely supplied from Alberta; that is the butter which is brought in from the outside. Going in the opposite direction from Montreal, it is one cent higher in Halifax. When the table to which I refer was made up, Newfoundland was not one of us. I am sorry I am not able to give the figure for Newfoundland.

Mr. Higgins: What price does the minister believe it should sell at in Newfoundland?

Mr. Gardiner: Well, whatever the profit margin is in the freight costs as between Halifax and the island of Newfoundland.

Mr. Higgins: If the figure is 85 cents would the minister consider that high?

Mr. Gardiner: Yes, I would say it is very high.

Mr. Fulton: Will the minister say whether the powers which the dominion government has been able to transfer to the provinces, or to the provincial marketing boards, in connection with marketing will extend to the regulation of imports from the United States? The reason I ask that question is that in British Columbia in the marketing of tomatoes for a time this summer we were faced with a certain influx of United States tomatoes which resulted in a sudden deterioration of the market for local producers. After consulting with the producers and the marketing board officials, it seemed to me that they were powerless to control that situation. I just wondered whether the marketing act passed last April would be of any assistance in that connection.

Mr. Gardiner: My understanding is that once fruit gets into British Columbia they can control the price of it within their province, and that would be true of any other products. I do not think there would ever be any question about that. I think that is the position that was taken. On the other matter which the hon. member raised with regard to Newfoundland, I would say that if anybody is paying 85 cents a pound for butter down there he had better get in touch with our board and get some 58-cent butter.

Mr. Fulton: The actual importation and the price at which it is imported into the province are not within the control of the marketing board of the province even under the marketing act which was passed last spring. Is that correct?

Mr. Gardiner: There is no way in which the British Columbia authorities can say at what the Americans from the state of Washington must sell apples, let us say, or any other fruit in British Columbia.

Mr. Cruickshank: They would never be able to sell their apples into our province.

Mr. Fulton: Tomatoes are much more perishable than apples.

Mr. Gardiner: It does not matter what the product is. I presume the people in British Columbia will not buy a product if it is at a higher price than that at which it can be supplied by their own people. But if an attempt is made to break your market price in British Columbia by dumping products out of the state of Washington into British Columbia, then your organization certainly has control, under this legislation, of the price factor in relation to what has been brought in. In other words, they can hold the price level to their own people if anything of that kind is attempted.

Mr. Fulton: That is the point. I am not trying to get a sort of offhand admission from the minister, but it is quite an important point as to whether the marketing board can control that situation, or whether it involves some anti-dumping legislation under the Tariff Act. That is actually the point I have in mind. I am not trying to get some admission from the minister which on reflection he might not wish to have made.

Mr. Gardiner: The hon. member is a better lawyer than I am, and he might give himself an opinion on that.

Mr. Fulton: I am asking for an opinion.

Mr. Gardiner: I think it is a matter of practical common sense that no one is going to buy apples out of Washington, or any other fruit, tomatoes or anything else, at a price which is higher than he could get it supplied for in the province. On the other hand, I do not think that the board is going to permit someone to come in from outside and dump a product in there and have it sold at any lower price than the other. I would think that that is a matter of just ordinary common sense; but so far as the local authority that some people have to act in connection with dumping is concerned, I am not too sure about that.

Mr. Fulton: I will put it this way. My impression is that they felt that they had no

power as a marketing board to prevent the importation of tomatoes into the province at a lower price than that at which the domestic growers could produce them, even under the powers given to them in the recent marketing act.

Mr. Gardiner: But they could prevent anyone from selling them at a lower price in British Columbia. They could not prevent a party from getting fruit from across the line into British Columbia but once it gets there they can prevent that individual from selling it and dumping it in competition with the other growers.

Mr. Charlton: I question the minister's statement in that regard because, unless the board bought that fruit as it came across the border, I do not see how they could control the price of it in the province. The fruit does not belong to the board itself. If that is true, the board have no need to worry about tariffs because they can control it themselves. But they are worrying about tariffs.

Mr. Gardiner: I think the hon. member had better go out to British Columbia and have a look around. The population of that province, or a very considerable part of it, is concentrated in a large city where most of the marketing is done. In the days when I was out there, when these laws were first brought into effect, one could not get across a bridge into the city except by passing a policeman who made a very careful check of what you had and what you took into the city. That, as I recall, has been a matter of interest out there for some time.

On the other question, I agree that no one proposes to stop the articles from actually crossing the boundary line, unless it were done under the old dumping laws which the federal government has. However, once it has got there, either through smuggling or in some other way, anyone who handles those apples in British Columbia is subject to prosecution. And my understanding is that they do not hesitate to prosecute in British Columbia under that act.

Mr. Jones: There is one other difficulty in connection with the possibility of dumping of inferior fruit in British Columbia, and that is the regulation regarding containers. I find the inspection service or control of the fruit within given containers is lax. I have seen cull apples or inferior apples placed in Okanagan apple boxes for sale in our larger cities. I have seen it in Vancouver. Has the minister an item in his estimates to take care of some facilities for checking the nature of the contents of a given box or package, or a given quality?

Mr. Stick: Is the price of butter pegged in Canada, and what is that price? I ask this question because I understand something was mentioned a moment ago about the price of butter in Newfoundland being eight-five cents retail per pound. I know it was eighty-five cents before the union, but the retail price is now seventy-five cents. I am asking this question because, if I am given the pegged price, I can figure out exactly what the price should be in Newfoundland, and find out if some of our people down there are charging us too much.

Mr. Gardiner: There is no pegged price, but there is a floor price. Last spring we said that for a twelve month period we would take delivery of butter at 58 cents a pound, grade A. If anyone else wanted to get the butter he had to pay at least 58 cents for it. They might in some cases have to pay a little more than that; but they would have to pay at least 58 cents, because we were on the market all the time to take it at 58 cents. We had about 46 million or 47 million pounds of butter, and we will probably have a little more before the winter season comes on. Everyone else who has butter has about half that amount, or not quite half that amount.

We are in a position of holding that butter. If anyone is selling butter at 75 cents where he should be charging only 65 cents for it, some trader there will find that out and will apply to the government for butter. If he gets butter from us under the policy we are following it will be at 58 cents, plus the freight to the point to which it has to go, and all other costs of setting it down in that place. This leaves us with our return of 58 cents, grade A butter. The butter will be regraded and put out at its proper grade and at whatever the price is in relation to 58 cents.

Just stating what I would do if I were doing it—they usually ask me about these things—if we found that a certain individual, after getting butter down there, could retail it and get the same profit as men are getting elsewhere across Canada by selling it at 65 cents, let us say, and if he were selling it at 75 cents, he would not get any more butter from the board. The butter would go to those who were selling at reasonable prices to the consumer.

If butter is out of line in Newfoundland, we will be looking very shortly for places to put our surplus butter when it comes in, and we will look to Newfoundland as well as to other places.

Mr. Ferguson: The county of Simcoe, as I am sure hon. members are aware, has been given the highest award for the finest apples grown in the world. That is well-known, of course. Owing to the fact that there will be several by-elections in Ontario in the not far distant future, might not the government be

well advised to pay the farmers in Ontario a bigger price than was paid in the Annapolis valley to farmers who had to cut down their trees? I should like to know that, so that I could inform our farmers in Simcoe whether it might pay them to burn them down, or to take off the apples.

Mr. Cruickshank: The class of apples you grow, I think it would.

Mr. Harkness: I should like to ask a question or two in connection with the hog industry. At the present time there is a certain amount of perturbation in the minds of people engaged in the production of hogs as to just what the situation is likely to be in the coming year. This feeling of alarm arises from several factors.

First of all there is the matter of the devaluation of the British pound. As everyone familiar with the hog industry knows, for some considerable time we have had in Great Britain a market for our surplus bacon. In other words, they have taken the surplus of our pork products above what we consumed ourselves. During the last year a floor price had been in effect under hogs, owing to the existence of the British contract.

The question in the minds of a large number of producers of hogs is whether that contract can be renewed on anything like the terms we have had in the past, or whether the devaluation of the British pound is going to make it impossible for us to sell our bacon to Great Britain in competition with that from soft-currency countries?

Allied with that, of course, is the fact that in the past year we have not come anywhere near meeting our contract with Great Britain for bacon. The contract is for 160 million pounds. I notice in this publication put out by the department, dealing with the livestock and meat trade, it is stated, in the issue for September 22, that the total amount of bacon sent to Great Britain up to September 17 of this year was just over 25 million pounds. Only three months of the year are left, and it is quite clear that we are not going to come even close to meeting our contract.

The thought in my mind, and in the minds of many producers, is what effect this will have upon our ability to get another contract. Naturally, when one enters into a contract and does not fulfil it, there is bound to be a certain amount of wonder as to whether or not another contract will be offered. Therefore this is a natural fear. The fact that we have not made our contract is certainly not the fault of the people engaged at this time in the production of hogs. It is due to other factors I have discussed with the minister at various times, and the basis of which I shall not go into at the moment.

There is another factor which adds to the alarm, namely the large corn crop in the United States, and the fact that their pig crop in that country is greater than it has been normally. The probability is that the price of pork will drop in that country owing to the over-supply of feed, and that will likely make available a considerable amount of pork and pork products for export. Of course, that is bound to affect those overseas markets in which our pork might be sold. I should like the minister, so far as he can, to outline to the committee and to the country at large what the situation is likely to be or what the government estimates it is likely to be in 1950 as far as hogs are concerned.

I should like the minister to tell us to what extent production in this country is down. The department has very good figures, some of which they put out from time to time, and I think the minister would be in position to tell us what the departmental estimate is for hog production during the first six months of 1950. It may be that on the basis of that estimate we will not be producing any more pork than we can consume in Canada and therefore the fears entertained by the hog producers will be considerably allayed.

Mr. Gardiner: Current marketings are running a little ahead of last year; they have been increasing week by week for some time over the marketings of a year ago. At the moment production is on the upward march and the estimate is that that will continue. We do not think that production will be lower in the first six months of 1950 than it was in the first six months of 1949.

Coming to the other question of what effect our deliveries may have upon the British market, I can only say what I said during the last session, namely, that when the British came here about two years ago they did not want any bacon; they did not want any of our products except wheat. For anyone to say that there is any reason for disappointment in Britain because we did not deliver any of these products is to fail to take into consideration the facts of the case.

The British said two years ago, "We have not the dollars with which to buy anything but wheat." Then a year ago they took the position that they only had dollars with which to buy wheat and cheese. We said to them at the time, "We do not think it is a good thing, either for our people or for your people, to drop these agreements just because you have not the dollars. We think it would be much more to the advantage of both of us if we did enter into contracts."

We gave them a definite undertaking at the time that we would try to hold our contracts down to realities.

In the years during the war and immediately before the war we were writing into the contracts more than we anticipated our farmers would be able to produce. In other words, we were trying to increase production because Britain required the bacon during the early part of the war. When it would be suggested that so many million pounds be put into the contract we added another fifty million pounds and said to everybody, "Go out and produce it." Our farmers produced it, and more on top of it.

When we got down to the latter part of the war, when Britain wanted grain instead of meat products, we did not say to the farmers, "Do not produce hogs as you produced them before." But apparently, looking at the records that were coming over the radio and from Great Britain in one way or another, those farmers who wanted to grow grain particularly, and there are farmers in the west who have always been accustomed to producing grain and who like to grow grain better than anything else, finding they could make more money doing that, or could make some profit thereby—we were not urging them to produce more hogs, because the British had already told us they did not want to buy them—were told to go ahead and do the thing they felt they were best equipped to do and which they wanted to do.

The result has been as I indicated by the figures I gave a few minutes ago. They are producing more hogs than they produced before the war, but our people are eating around seventy per cent more pork products than they did before the war. The result of those two things leaves us with less pork products to send to Britain than we have sent over a long term of years.

We have said to the British, "We have always met your contention that you do not want to buy bacon. We have almost made it unnecessary for you to put up dollars to buy bacon, but some day this thing is going to turn". It has turned already with cheese. We got the quantities down in the cheese contracts to a figure of 50 million pounds. When we wrote that figure into the contract we did not think we would be able to fill it, neither did the British. But the price of canned milk went down and farmers switched over to the production of cheese with the result that we got 60 million pounds which we could have sent to Britain. Then we said to the British, "In view of the fact that you are not getting bacon and do not want to get it, in view of the fact that you were prepared to pay so many dollars for the bacon, why not take the other 10 million pounds of cheese?" But they would not take it.

All I am suggesting is that there was no lack of understanding with regard to bacon between those who negotiated the contracts. They understood that if we could persuade our own people to eat it at a better price than they were paying for it, or if we could send it to the United States at a better price than they were paying for it, that was quite all right with them; they did not want the bacon. Perhaps I should not say they did not want the bacon; they did not feel that they had enough dollars to be able to buy the bacon. There has not been any misunderstanding created in Britain that would take that market away from us. We have said to them that they do not have to pay dollars for products that we can sell for dollars in our own country or in the United States.

Then with regard to next year. I am not in position to report what the British are prepared to do next year with regard to contracts, but I am in position to say that we are insisting in every way we possibly can that we do have a contract on bacon, whether we can deliver it or not. We think it would be a good thing, both for Britain and for ourselves, if they were prepared to say, "If you do have a surplus, we are prepared to take at least a certain amount of it". We would like a contract with regard to cheese. I do not think we will have much difficulty getting one in regard to cheese. We would like a contract in regard to eggs.

We would like contracts with regard to the four products, cheese, bacon, eggs and wheat, the four products in connection with which we now have contracts. We are still trying to negotiate contracts for the year that is ahead and for a longer time if we can. That is the position at the present time. I do not think that anything we have done up to date has jeopardized our position in the British market. On the other hand, what we have been doing has got rid of the production of our farms.

Mr. Fulford: I should like to direct a few remarks to the Minister of Agriculture about what may be termed the orphan of the dairy industry. When I was a boy we were always told that Leeds leads in the production of cheese, but through the years our cheese factories have gradually diminished with the advent of milk condenseries. Today we have three milk condenseries looking after 2,250 milk patrons. That is the equivalent of 75 cheese factories, figuring 30 patrons to a factory. At the present time 520 of those patrons who have been going to the condenseries are sending their milk to the cheese factories but this is only a temporary situ-

ation. Apparently the condenseries have cut their production by 20 per cent. In fact they have cut it to such a serious degree that they cannot economically produce evaporated milk. Stocks of evaporated milk have increased enormously. I should like to quote some figures from the bureau of statistics. Last year there were 26,892,000 pounds in storage, and on the first of August of this year there were 55,147,000 pounds in storage. In the county of Leeds alone we have over 8 million pounds in storage. One plant has leased a Canadian Pacific roundhouse; it has it stocked to the roof, and they are still looking for further storage space. When the cold weather comes it is going to be a problem to keep it heated. Another plant has leased an old church, and it is rapidly being filled with milk powder.

I commend the minister for the attitude of his department in bonusing premium cheese, and in buying up supplies of cheese now that we have filled the British contract. I commend the minister for maintaining a floor price on butter, and also for purchasing the surplus production of butter, but we are facing a very serious situation in those sections of Canada where condensed milk and evaporated milk are being produced. In the spring, stocks of powdered skim milk were bought up, but this year stocks have increased in one year from 9,130,000 pounds as at September 1, 1948, to 12,162,000 pounds. There are no bonuses and no premiums paid to the producers of evaporated milk, and yet these factories are paying the highest price to their patrons for their milk.

The situation is getting quite desperate. Milk is being sold on world markets at a loss to reduce inventories. Evaporated milk is being sold in Canada today at a loss. The same thing may be said in respect to heavy shipments to Belgium, western Germany and Cuba. The sterling zone of the British empire used to be the biggest market for Canadian producers of evaporated milk. Today that area is buying its milk from Holland and Australia, both being soft-currency countries. Last year Great Britain withdrew orders for 300,000 cases of evaporated milk, which means that not one drop of Canadian evaporated milk has entered the British market in nearly two years. Today evaporated milk producers are facing a loss of markets even in the British West Indies, which has been a constant market since long before the war, and a heavy consumer of Canadian evaporated milk products during the war.

I wish the Minister of Trade and Commerce were here, because I know that to a large extent marketing comes under his department. It seems to me that markets could be found abroad for evaporated milk in the central American countries. We could buy their citrus fruits and their coffee and sell them some of our surplus milk. They are tropical countries, and it is hard to produce milk products there. I also suggest that we try to get into certain parts of the empire such as Malaya, India, Pakistan, South Africa and West Africa, and that further negotiations be conducted. I understand that we are going to buy more tin and rubber from Malaya. Could we not buy peanuts from West Africa, and cotton from Egypt? Surely some method can be devised to diminish these stocks which are now becoming a serious problem for all producers of evaporated milk across Canada.

An attempt might be made to increase the domestic use by asking bakers to include a certain amount of evaporated milk powder in their bread. I believe that was done during the war in the standard loaf served to the armed forces. Perhaps we could get rid of a large surplus in the home market. I understand that it makes better-tasting bread and increases its vitamin content.

I repeat that in the county of Leeds alone there are 2,250 farmers dependent on the condenseries for their livelihood, and they are naturally becoming anxious about their future. May I suggest that attention be paid first to finding methods of regaining markets that we have lost, second, to increasing home consumption of evaporated and condensed milk, and skim milk powder, and third, to the purchase of surplus stocks of processed milk products by the government in order to relieve a situation that is now assuming really serious proportions. Farmers producing milk for condenseries in the county of Leeds are becoming so apprehensive that they hardly know which way to turn. They are asking that some course be followed that will assure them of a constant market for their products, because I can imagine no greater calamity befalling the farmers in this great dairying section of Canada than if it were necessary for any of these plants to close their doors.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Monday is private members' day.

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

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

21. Grants to fairs and exhibitions, under such terms and conditions as may be approved by the governor in council and subject to allocation by the treasury board, $475,900.

22. Grants to agricultural organizations, as detailed in the estimates, $43,500.

HOUSE OF COMMONS

Monday, October 3, 1949

The house met at three o'clock.

BUSINESS OF THE HOUSE

THANKSGIVING DAY ADJOURNMENT

Mr. W. Chester S. McLure (Queens): I rise on a question of privilege, Mr. Speaker. Monday next, October 10, will be Thanksgiving day. In common with many others, I feel sure that the Prime Minister has a good deal to be thankful for, and I was wondering whether he would permit the members of this house to have next Monday as a holiday.

Right Hon. L. S. St. Laurent (Prime Minister): The Prime Minister is always susceptible to any suggestion that comes from the other side of the house. I take it that the applause means that there are several in the house who agree with the suggestion which has been made. If it appears to be the desire of the house, the government will take the necessary steps to see to it that when the house adjourns on Friday night it stand adjourned until three o'clock the following Tuesday.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

WHEAT—DELIVERIES UNDER BRITISH AGREEMENT

Mr. Fair:

1. What quantity of wheat was delivered under the British wheat agreement during the crop year 1948-49?
2. At what price per bushel was this wheat sold?
3. During the same period what quantity of "class II" wheat was sold?
4. What was the average price per bushel obtained?
5. During each of the crop years 1946-47, 1947-48 and 1948-49, what quantity of wheat was sold to millers for Canadian consumption as flour?
6. At what price per bushel was such wheat sold?

Mr. McIlraith:

1. Wheat delivered under the Canada-United Kingdom wheat agreement as wheat or flour for 1948-49 amounted to 146,342,802-25 bushels.

2. $2 per bushel, basis No. 1 northern in store Fort William/Port Arthur or Vancouver, plus 5 cents per bushel carrying charges.

3. During the same period approximately 74,013,774 bushels were sold as wheat or flour at class II prices.

4. The average price obtained on the bushels recited in part 3 was $2.22471 per bushel, basis No. 1 northern in store Fort William/Port Arthur or Vancouver.

5. Wheat sold to millers for manufacture of flour for domestic consumption in Canada was as follows:

Crop year 1946-47, 53,615,866 bushels; crop year 1947-48, 49,342,532 bushels; crop year 1948-49, 39,281,098 bushels.

6. Such wheat was sold at the following prices:

Crop year 1946-47, approximately 29,041,927 @ $1.25, approximately 24,573,939 @ $1.55; crop year 1947-48, 49,342,532 @ $1.55; crop year 1948-49, 39,281,098 @ $2.00.

Notes on 6:

1. All prices basis No. 1 northern in store Fort William/Port Arthur or Vancouver.

2. In addition to the above prices, the board recovered carrying charges of approximately 3½ cents per bushel from August 1, 1946 to July 31, 1948, and 5 cents per bushel from August 1, 1948 to July 31, 1949.

OLD AGE PENSIONS

Mr. Knowles:

1. What is the average monthly amount on account of the basic old age pension now being paid in each province?
2. What supplementary amounts are now being paid by each province?
3. What medical or other additional services are now being provided to old age pensioners by each province?

Mr. Martin:

1. As at June 30, 1949:

Province	Old Age	Blind
Alberta	$32.23	$29.98
British Columbia	29.29	29.31
Manitoba	37.86	38.55
New Brunswick	30.15	38.85
Nova Scotia	30.24	38.47
Ontario	37.06	37.64
Prince Edward Island	26.42	28.63
Quebec	28.94	29.68
Saskatchewan	37.12	38.78
Northwest Territories	28.75	30.00

Note: At the end of the quarter April 1 to June 30, 1949, all provinces had not completed the work of adjusting pensions in accordance with the provisions of new agreements bringing into operation the amendments to the Old Age Pensions Act passed at the last session of parliament. The average pension paid in Newfoundland and the Yukon

Territory as at June 30, 1949, is not yet available. Information for the quarter July 1 to Sept. 30, 1949, will not be completed before October 31.

2. According to information furnished by the provinces, supplemental allowances are being paid as follows: Alberta, $7.50 a month; British Columbia, $10 a month; Manitoba, nil; New Brunswick, nil; Newfoundland, nil; Nova Scotia, nil; Ontario, nil; Prince Edward Island, nil; Quebec, nil; Saskatchewan, $2.50 a month subject to a means test; Northwest Territories, additional assistance may be authorized if required; Yukon Territory, $10 a month.

3. According to information furnished by the provinces, additional benefits are provided to pensioners as follows:

(a) Medical services. Medical services for pensioners and certain dependents are provided by British Columbia, Alberta and Saskatchewan. Ontario provides medical services for pensioners only.

(b) Dental and optical services. Alberta and Saskatchewan provide dental and optical services.

(c) Hospital services. British Columbia, Alberta and Saskatchewan have plans under which pensioners are given free hospital care. In other provinces pensioners receive whatever hospital services are available to persons unable to pay.

(d) Homes for the aged. Ontario and British Columbia offer assistance to municipalities for the purpose of constructing homes for aged persons.

INDIANS—ALBERTA—HOSPITALIZATION AND MEDICAL TREATMENT

Mr. Shaw:

1. What arrangement has been in effect for the hospitalization and treatment of Indians in the Rocky Mountain House district of Alberta?

2. Has the Department of Indian Affairs or any other branch of government or any official thereof been negotiating with medical and hospital authorities at Rocky Mountain House for the hospitalization and treatment of Indians in that district?

3. If so, what has been the result of such negotiations?

4. What provision has been made to provide such services to the Indians after September 30, 1949?

Mr. Martin:

1. There are 125 in the Rocky Mountain House band of the Sunchild Cree Indians (treaty Indians) who live on a reserve thirty miles from Rocky Mountain House. There is also a group of 200 Chippewa Indians (non-treaty) who wander in the foothills. So far as is possible in the light of their highly nomadic life, the same facilities are extended to both groups by the directorate of Indian health services.

[Mr. Martin.]

The medical care of these people has been provided by a doctor of Rocky Mountain House on a fee-for-service basis. The doctor has seen patients in his office and has attended them in Rocky Mountain hospital. It has not been convenient to him to attend on the reserve.

A local dentist has provided dental services on a fee-for-service basis.

2 and 3. The doctor's accounts for professional services have been paid in accordance with the prevailing schedule of fees which is applied uniformly across Canada where professional attention is provided on a fee-for-service basis. However the doctor has not been satisfied with the schedule of fees. In June 1948 the directorate of Indian health services offered to pay him a per annum stipend if this would be more agreeable to the doctor but he did not reply to this offer. Recently he signified his intention to cease services to Indians except as private patients.

The rate paid to the Rocky Mountain hospital is $5 per day for adults and $1.25 for newborn children. This rate was established May 1, 1948, and has not been under discussion since that time.

4. There is every reason to believe that arrangements for hospitalization at Rocky Mountain House are satisfactory. The Indian health service regional superintendent in Alberta is continuing to negotiate with local physicians for the provision of professional services.

COLLECTIVE SECURITY—PACIFIC AREAS

Mr. Church:

1. Has the government given any consideration to the creation of a Pacific pact?

2. If so, what action has been taken?

Mr. Claxton:

1. Yes.

2. The information requested in this part of the question was supplied by the Secretary of State for External Affairs in a statement given by him which appears in *Hansard* of September 16, 1949, on page 14.

NATIONAL HEALTH—HOSPITAL CONSTRUCTION GRANTS—HOSPITAL BEDS

Mr. Argue:

1. For how many hospital beds have grants been authorized under the hospital construction grant in each province?

2. What are the names and the location of hospitals for which grants have been authorized, and the number of beds in each case?

Mr. Martin:

The figures given below include adult beds, both acute and chronic, as well as bassinet

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bed equivalents. A bassinet bed equivalent represents three bassinets developed in cubicles, which are regarded as one adult bed for the purpose of the grant.

1. Prince Edward Island, 333 beds; Nova Scotia, 1,067⅔ beds; New Brunswick, 127⅓ beds; Quebec, 5,557 beds; Ontario, 3,660⅓ beds; Manitoba, 703⅔ beds; Saskatchewan, 1,121⅔ beds; Alberta, 825⅔ beds; British Columbia, 1,427⅓ beds; Newfoundland, 1 application for the hospital construction grant is now under consideration.

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2. Name of hospital	Location	Number of beds
Prince Edward Island		
Beach Grove hospital	Charlottetown	249
Charlottetown hospital	Charlottetown	84
Nova Scotia		
Eastern Shore Memorial hospital	Sheet Harbour	28⅔
Queens General hospital	Liverpool	41⅔
Lunenburg hospital	Lunenburg	55
Guysborough Memorial hospital	Guysborough	15
Twin Oaks Memorial hospital	Musquodoboit Harbour	11
Victoria County Memorial hospital	Baddeck	35⅔
Colchester County hospital	Truro	60
St. Mary's hospital	Sherbrooke	13
Point Edward hospital	Westmount	200
Musquodoboit Valley Memorial	Middle Musquodoboit	9⅔
Sydney City hospital	Sydney	153⅔
Payzant Memorial hospital	Windsor	45⅔
Aberdeen hospital	New Glasgow	213⅓
St. Martha's hospital	Antigonish	111
Eastern Memorial hospital	Canso	10⅓
Nova Scotia Institution for Care and Rehabilitation of Mental Defectives	Brookside	64
New Brunswick		
St. Joseph's hospital	Saint John	15
Sackville Memorial hospital	Sackville	8⅓
Stanley Memorial hospital	Stanley	13
Mount St. Joseph	Chatham	91
Quebec		
Hopital Sanatorium St. Joseph	Montreal	497
Hotel Dieu de Montmagny	St. Thomas de Montmagny	118
Hopital St. Sauveur	Val d'Or	83⅓
Hopital Sanatorium Cooke	Three Rivers	174
Hopital Ste. Croix	Drummondville	228
Hopital Lafleche	Grand-Mère	120⅓
Sanatorium St. Georges	Mont Joli	298
Sanatorium Begin	Ste. Germaine	300
Hopital St. Eusebe	Joliette	144⅓
Hopital St. Joseph des Convalescents	Bordeaux	120
Hotel Dieu Notre Dame de Beauce	St. Georges de Beauce	179
Hotel Dieu d'Amos	Amos	215⅔
Hopital Youville	Noranda	153
Mont Providence Institute Medico-Pedagogique	Riviere des Prairies	1,269
Hopital Notre Dame de Lourdes	Blanc Sablon	23
Hopital de la Providence	Chandler	56⅓
Hopital St. Joseph	La Tuque	45⅔
Hopital Ste. Therese	Shawinigan Falls	148
Sanatorium Macamic	Macamic	207
Sanatorium de Gaspe	Gaspe	344
Hopital Notre Dame de Ste. Croix	Mont Laurier	75
Sanatorium de Lac Edouard	Lac Edouard	22

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Name of hospital	Location	Number of beds
Quebec—Conc.		
Herbert Reddy Memorial hospital	Montreal	20⅓
Hotel Dieu de Sorel	Sorel	167⅔
Hotel Dieu de Levis	Levis	29
Hopital de St. Redempteur	Matane	166
Hopital Ste. Marie	Three Rivers	226⅓
Pontiac Community hospital	Shawville	57
Hopital Notre Dame de Charny	Charny	70
Ontario		
Sudbury General hospital	Sudbury	168⅔
West Lincoln Memorial hospital	Grimsby	38⅔
Hamilton General hospital	Hamilton	181
St. Peters infirmary	Hamilton	45
Leamington district memorial	Leamington	57
Centre Grey General hospital	Markdale	27
St. Joseph General hospital	Peterborough	65
Cobourg General hospital	Cobourg	4
Cornwall General hospital	Cornwall	89⅔
Haldimand war memorial hospital	Dunnville	53⅔
Oakville Trafalgar memorial hospital	Oakville	50
Trenton memorial hospital	Trenton	76½
Chesley and district memorial	Chesley	24⅓
St. Joseph hospital	London	220
Peterborough Civic hospital	Peterborough	256⅔
Oshawa General hospital	Oshawa	18
St. Mary's of the Lake hospital	Kingston	92
Winchester and district memorial	Winchester	36
Hotel Dieu hospital	St. Catharines	27
Hospital for sick children	Toronto	605
St. John's convalescent hospital	Newton Brook	101
Red Cross outpost hospital	Bancroft	25⅔
Brockville General hospital	Brockville	68⅔
Red Cross outpost hospital	Nipigon	25⅔
McKellar General hospital	Fort William	34
Red Cross outpost hospital	Huntsville	30⅔
Kingston General hospital	Kingston	65
Victoria hospital	London	50
Alexandra Marine & General hospital	Goderich	20
Red Cross outpost hospital	Wiarton	23⅔
Royal Ottawa sanatorium	Ottawa	135
Red Cross outpost hospital	Englehart	14
St. Joseph's hospital	Toronto	265⅓
Saugeen memorial hospital	Southampton	19⅓
Brant sanatorium	Brantford	5
St. Joseph's hospital	Guelph	39⅓
Red Cross outpost hospital	Burks Falls	24⅔
Red Cross hospital	Atikokan	15
Toronto Western hospital	Toronto	197⅔
Woodeden hospital	London	20
Alexandra hospital	Ingersoll	65⅓
St. Joseph's General hospital	North Bay	12
Ottawa General hospital	Ottawa	149⅔
Clinton Public hospital	Clinton	25⅔
Fort William sanatorium	Fort William	86
Louise Marshall hospital	Mount Forest	7
Manitoba		
Boissevain hospital	Boissevain	10
Benito medical nursing unit	Benito	9½
Gilbert Plains hospital	Gilbert Plains	12

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Name of hospital	Location	Number of beds
Manitoba—Conc.		
Carman district hospital	Carman	46⅔
Fox memorial hospital	Carberry	10
Cartwright medical nursing unit	Cartwright	7⅔
Birch River hospital	Birch River	9⅓
Winnipeg General maternity pavilion	Winnipeg	186
Princess Elizabeth hospital	Winnipeg	208
Altona hospital	Altona	29
Bethesda hospital	Steinbach	34
Fisher Branch outpost hospital	Fisher Branch	12
Morris district hospital	Morris	23⅔
Minnedosa district hospital	Minnedosa	27⅓
Killarney district General hospital	Killarney	30
Misericordia hospital	Winnipeg	27
De Salaberry municipal hospital	St. Pierre	12⅓
Arborg Red Cross outpost hospital	Arborg	9⅓
Saskatchewan		
Assiniboia Union hospital	Assiniboia	15
Canora Union hospital	Canora	35
Ituna Union hospital	Ituna	15
Saltcoats & district war memorial	Saltcoats	9
Delisle Union hospital	Delisle	17
Nokomis Union hospital	Nokomis	8
Sutton-Lake Johnston union hospital	Mossbank	19
Oxbow Union hospital	Oxbow	10
Watrous Union hospital	Watrous	32
Herbert-Morse Union hospital	Herbert	19
Shellbrook Union hospital	Shellbrook	12
Meadow Lake Union hospital	Meadow Lake	22
Elrose Union hospital	Elrose	9
Preeceville Union hospital	Preeceville	19
Outlook Union hospital	Outlook	18
Radville Community hospital	Radville	23
Wynyard Union hospital	Wynyard	21
Neilburg Union hospital	Neilburg	9
Norquay-Canora Union hospital	Norquay	8
Invermay-Canora Union Hospital	Invermay	6
Riverside Memorial Union hospital	Turtleford	21⅔
Waldheim hospital	Waldheim	9
Coronach Union hospital	Coronach	14
Big River Union hospital	Big River	8
Kinderley Union hospital	Kindersley	40
Kamsack Union hospital	Kamsack	34
Foam Lake Union hospital	Foam Lake	31
Moose Jaw General hospital	Moose Jaw	35
Notre Dame hospital	North Battleford	110⅓
Midale Union hospital	Midale	7
Climax Community hospital	Climax	12
Spalding Union hospital	Spalding	9
Maryfield Memorial Union hospital	Maryfield	7
St. Paul's hospital	Saskatoon	38
Fillmore Union hospital	Fillmore	10
Regina General hospital	Regina	254
Langenburg-Churchbridge Union	Langenburg	32
Swift Current Union hospital	Swift Current	123⅓
Alberta		
Olds Municipal hospital	Olds	12
Junior Red Cross crippled children hospital	Calgary	119
Vulcan Municipal hospital	Vulcan	17

Name of hospital	Location	Number of beds
Alberta—Conc.		
Lacombe Municipal hospital	Lacombe	33⅓
Three Hills Municipal hospital	Three Hills	28⅓
Stettler Municipal hospital	Stettler	34⅓
Rimbey Municipal hospital	Rimbey	22
Crowsnest Pass Municipal hospital	Blairmore	64
Claresholm Municipal hospital	Claresholm	19
St. Mary's hospital	Trochu	14
Lamont Public hospital	Lamont	65
Wainwright Municipal hospital	Wainwright	35
Grande Prairie Municipal hospital	Grande Prairie	39
Aberhart Memorial sanatorium	Edmonton	299
Peace River Municipal hospital	Peace River	24⅔
British Columbia		
Vernon Jubilee hospital	Vernon	117⅓
Provincial mental hospital	New Westminster	100
Fernie Memorial hospital	Fernie	45⅔
St. George's hospital	Alert Bay	48⅓
North Vancouver General hospital	North Vancouver	10
Royal Columbian hospital	New Westminster	189
Princeton General hospital	Princeton	2
Provincial Mental hospital	Essondale	452
Mount St. Francis infirmary	Nelson	98
Langley Memorial hospital	Murrayville	46
Prince Rupert General hospital	Prince Rupert	54
St. Joseph's hospital	Victoria	150
Provincial mental hospital No. 2	New Westminster	100
Bulkley Valley district hospital	Smithers	6
Royal Jubilee hospital	Victoria	9

SOUTH SASKATCHEWAN RIVER DAM AND IRRIGATION PROJECT

Mr. Diefenbaker:

What expenditures, month by month, since the 1st of January, 1949, have been made on preliminary investigation and work on the South Saskatchewan river dam and irrigation project?

Mr. Gardiner: January, 1949: 8,788.50; February, 1949: 20,506.42; March, 1949: 11,855.04; April, 1949: 15,971.01; May, 1949: 27,082.61; June, 1949: 85,432.75; July, 1949: 60,976.58; August, 1949: 71,502.74.

HEALTH SURVEYS

Mr. Coldwell:

1. Has the federal government received any preliminary or final reports from any of the provinces on the health surveys which have been undertaken with federal aid?
2. If so, from which provinces?
3. Will these reports be published in whole or in part, and when?

Mr. Martin:

1. The department has received progress reports and preliminary reports on the survey from all provinces. No final report has been received.

2. See answer to No. 1.

[Mr. Martin.]

3. No decision has yet been reached with the provinces with respect to publication of these reports.

PUBLIC STATEMENTS BY MEMBERS OF DIPLOMATIC SERVICE

Mr. Hansell:

Does the government accept any responsibility for speeches made by responsible members of the diplomatic corps at home and abroad, and is the subject matter of such speeches to be considered as government policy?

Mr. Claxton: The general rule is that the government accepts responsibility for speeches on matters of public policy made by officers of the external affairs service, at home and abroad. This general rule is subject to exception according to the circumstances in which speeches are made. So, for example, when an external affairs officer, in speaking, indicates that he is doing so in his personal capacity, or where he speaks as chairman of an international conference, committee, or other body, he is clearly not representing a government view, as such. Moreover the government may disclaim statements made by external affairs officers inconsistent with government policy.

HEALTH—FEDERAL ASSISTANCE TO PROVINCES

Mr. Coldwell:

1. Is any province in Canada receiving federal assistance which directly or indirectly helps to pay for drugs, medical care, or hospitalization?
2. If so, what provinces are receiving this assistance?

Mr. Martin:

1. Yes.

2. All provinces are receiving and are entitled to receive assistance towards medical care, supply of drugs and hospitalization under the mental health grant, tuberculosis control grant, cancer control grant, venereal disease control grant and crippled children grant.

FIRE PREVENTION—CIGARETTES—USE OF SALTPETRE, ETC.

Mr. Knowles:

1. Have representations been received by the dominion fire commissioner, or by any other official or department of the government, from the association of Canadian fire marshals, requesting legislation or regulations prohibiting the manufacture of cigarettes containing saltpetre or other properties in the cigarette paper or the tobacco that increase the burning properties of the cigarette and thus create a fire hazard?
2. If so, has consideration been given to such a request?
3. What is the result of such consideration?

Mr. Belzile:

1. No.
2. Answered by No. 1.
3. Answered by No. 1.

DEVALUATION OF CANADIAN DOLLAR—INTEREST PAYMENTS IN U.S. FUNDS

Mr. Thatcher:

1. What amount of the Canadian debt is owed to American citizens or the American government?
2. What is the value, if any, of the bonds or loans which carry interest payable in United States funds?
3. What is the probable annual loss to the Canadian treasury of such interest payments, caused by the recent dollar devaluation?

Mr. Belzile:

1. It is estimated by the dominion bureau of statistics that $701 million of government of Canada bonds were owned by residents of the United States at the end of 1946.

2. Government of Canada bond issues payable in New York in U.S. dollars total $398 million. A great proportion of this debt is in bearer form, and as a result the present ownership is unknown. However, the portion of these loans held in Canada and elsewhere is believed to be relatively negligible and, with this exception, the total stated is owed to institutions or residents of the United States.

3. The annual interest charges on bonds payable in United States funds are increased by $1,281,000 as a result of adjusting exchange rates on the basis of a 10½ per cent premium on the U.S. dollar.

WHITE ROCK, B.C., POST OFFICE SITE

Mr. MacInnis:

1. Has the government purchased a site for a post office at White Rock, British Columbia?
2. If so, what (a) is the size of the site; (b) was the purchase price?
3. Who was the registered owner of the property at the time of purchase?
4. Was other property or properties offered to the government?
5. If so, what was the size and price in each case?

Mr. Fournier (Hull):

1. Yes.
2. (a) 60 feet by 69·08 feet; (b) $27,000.
3. James Lee Monahan and Albert Victor Gay.
4. Yes.
5. (a) Lot 5 and ½ Lot 6, Vidal Subdivision, S.E. ¼ section 10, T.W.P. 1, N.W.D. map 2386, irregular size; $6,300.

(b) Corner Victoria and Martin streets, lots 14 and 15, 60 feet by 99·47 feet; no price quoted.

(c) Lots 11 and 12, S.E. ¼ section 10, T.I., map 4270, 100 feet by 117 feet; $12,500.

*CATTLE—COMPENSATION FOR TUBERCULOSIS REACTORS

Mr. Cardiff:

1. Has the government taken any action towards raising the compensation paid to farmers for cattle condemned under the T.B. testing program?
2. If so, what action has been taken?
3. Has compensation been raised?

Mr. Gardiner: The other day I was under the impression that I answered this question and asked that it be dropped until the legislation was brought down, when we could discuss it fully. It is on its way here now, and I am sure it will be fully discussed then.

Mr. Speaker: Dropped.

NEWFOUNDLAND—STERLING SURPLUS AND POUND DEVALUATION

Mr. Higgins:

1. Has the Newfoundland surplus in sterling held in England been made available to the government of Newfoundland?
2. If so, was the full fund made available, and has devaluation of the pound in any way reduced the amount received by the government of Newfoundland?

Mr. Belzile: That portion of Newfoundland's surplus which was in the form of blocked sterling held for the redemption of Newfoundland 3 per cent guaranteed stock was made available, before devaluation, to the province of Newfoundland at the rate of £1=$4.02.

Questions

FISH—PRICE SUPPORT—ORDER IN COUNCIL P.C. 1148

Mr. Bryce:

1. Under order in council P.C. 1148, what quantities and species of fish were bought?

2. Has this fish been sold? If so, at what price and to whom?

Mr. MacNaught:

1. The following species and quantities:

Species	Quantity (lbs.)
Whitefish (dressed)	152,044
Whitefish (round)	2,398
Sauger (round)	469,950
Pike (round)	161,034
Pike (headless)	396,031
Pickerel (round)	759,825
Trout (dressed)	3,671
Trout (headless)	1,115
Tullibee (boxed)	1,341,688
Tullibee (bagged)	89,046
Total	3,376,802

2. Yes. The disposal was as follows:

Disposal	Quantity (lbs.)	Receipts $
(1) Sold for reduction to fish meal	2,328,572	28,889.80
(2) Sold to fur farmers for fox and mink feed	968,687	14,654.00
(3) Sold in Toronto retail markets for human consumption	31,244	3,841.20
(4) Used for filleting and reduction experiments	35,820	—
(5) Used in training federal fisheries inspectors in Winnipeg	9,951	—
(6) Held for re-inspection as to quality	2,528	—
Totals	3,376,802	47,385.00

The above figures are all subject to final audit.

*HOUSING—STEAM SUBURBAN SERVICE IN TORONTO DISTRICT

Mr. Church:

1. What arrangements are being made by the government to secure a steam suburban service from the two national railways to aid the new government housing scheme in the Toronto district?

2. Will the government confer with the two steam railways of Canada accordingly, to aid in this work?

Mr. Chevrier: I should like to deal with this question orally. For more than one reason I think it is ambiguous. So far as I am concerned, it is ambiguous because I do not know whether it pertains to the Department of Transport or the Department of Reconstruction and Supply. But it is clearly ambiguous for another reason. It reads as follows:

What arrangements are being made by the government to secure a steam suburban service from the two national railways to aid the new government housing scheme in the Toronto district?

What does the hon. member mean when he says "aid the new housing scheme"? If it is the ordinary meaning of the word "aid" that is intended, then I do not think there can be an answer. If by "aid" is meant the commuting of passengers from the suburban areas to the city of Toronto, then I would point out that the hon. gentleman has already put that question and has received an answer.

Mr. Speaker: Answered.

Mr. Green: Could the question be allowed to stand until the hon. member has a chance to review the minister's statement?

Mr. Chevrier: If my statement is correct that the question is ambiguous, it should be reworded.

Mr. Church: I will read it in *Hansard* and see what the minister said. I just came in as he finished and was about to sit down.

Mr. Speaker: Answered.

CIVIL SERVICE SUPERANNUATION—COST OF LIVING BONUS OR OTHER SUPPLEMENT

Mr. Knowles:

1. Have representations been received from persons or organizations representing superannuated civil servants since January 1, of this year, asking for reconsideration of the request for a cost of living bonus or other supplement for superannuated civil servants?

2. Has the government reconsidered this matter at any time this year?

3. Has any such reconsideration to this question been given since June 27, 1949?

4. If so, what is the result of such reconsideration?

Mr. Belzile: The Minister of Finance and other ministers have received a number of representations on this matter this year, and the Minister of Finance has reconsidered the policy on several occasions this year, but he has come to the conclusion that the policy announced in the House of Commons last year and in the earlier session this year should be continued.

BUTTER—GOVERNMENT HOLDINGS

Mr. Catherwood:

What action is contemplated by the government in regard to the disposition of marketing of the 48 million to 50 million pounds of butter that is held in storage at the present time?

Mr. Gardiner: It is the government's intention to sell its holdings of butter to the people of Canada through the trade, during the period of short supply.

INDUSTRIAL DEVELOPEMENT BANK

Mr. Isnor:

1. What was the total number of applications received by the Industrial Development bank for the years 1945, 1946, 1947 and 1948?

2. By provinces, what was the number of applications (a) received; (b) granted; (c) refused; (d) withdrawn?

3. What number of supervisors are employed, showing their names, addresses and districts served?

4. Are there supervisors in any one of the four maritime provinces of Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland?

5. If so, what are their names, addresses and districts served?

6. What was the number of employees and the annual payroll in each of the years 1945, 1946, 1947, 1948?

Mr. Belzile:

1. Fiscal year ended September 30: 1945[1], 485; 1946, 377; 1947, 387; 1948, 391.

[1] 11 months.

2. Details of applications by provinces are not of government record. For Canada as a whole the information is as follows:

Fiscal year ended September 30	(a)	(b)	(c)	(d)
1945[1]	485	97	160	228
1946	377	169	103	105
1947	387	177	97	113
1948	391	143	159	89

[1] 11 months.

3. J. C. Ingram, Toronto—Ontario between Fort William-Sault Ste. Marie on the west and Ottawa-Kingston on the east.

D. T. Muskett, Winnipeg—Saskatchewan, Manitoba and Ontario as far east as Fort William.

N. C. Tompkins, Vancouver—Alberta and British Columbia.

S. R. Noble, general manager, Montreal—all other parts of Canada.

4. No. Maritime business is handled through the general manager's office.

5. Answered by No. 4.

6. Number of employees at September 30: 1945, 26; 1946, 44; 1947, 77; 1948, 92.

Total of salaries paid in fiscal year ended September 30: 1945*, $67,443.61; 1946, $128,-487.29; 1947, $203,180.12; 1948, $265,440.26 (* 11 months).

UNEMPLOYMENT INSURANCE—LOSS OF TIME THROUGH ILLNESS

Mr. Knowles:

1. Have any representations been received from (a) trade union organizations; (b) unemployment insurance advisory committees; (c) any other bodies, requesting that the Unemployment Insurance Act be amended so as to make it possible for a recipient of unemployment insurance benefits to continue to receive such benefits even though he becomes ill after being awarded the same?

2. If so, has consideration been given to such representations?

3. What is the result of such consideration?

Mr. Cote (Verdun-La Salle):

1. (a) Yes.
   (b) No.
   (c) Yes.

2. Yes.

3. The matter is still under consideration, and an actuarial expert is reviewing same.

TRANS-CANADA HIGHWAY—CONNECTIONS WITH BORDER PORTS

Mr. Winkler:

1. Has assistance been asked by the provinces or offered by the government to aid in the construction of first class highways connecting the proposed trans-Canada highway with the main United States border ports?

2. If so, what provinces, and to what United States border ports?

Mr. Winters:

1. No.

2. Answered by No. 1.

RENT CONTROL

Mr. Knowles:

1. What proportion of residential premises in each province is now subject to rent control?

2. What proportion of residential premises has been decontrolled?

3. How many residential premises have been decontrolled in each province, in each month, since the regulations providing for such decontrol came into effect?

Mr. Belzile: In so far as the wartime prices and trade board is concerned:

At the inception of dominion-wide rental control all real properties, with the exception of lands and premises used solely for farm purposes, were made subject to the regulations. From time to time the regulations were relaxed by exempting from either all or part of the regulations a certain class of real property or a certain class of lease of real property. So hotel accommodation was exempted on April 7, 1947; summer cottages, winter chalets, etc., on February 23, 1948; commercial accommodation on March 8, 1948; buildings completed by new construction after January 1, 1947, on June 19, 1947; and self-contained housing accommodation let to a person who was not the tenant on November 1, 1948, on that date. The various exemptions applied to the property itself or the lease thereof as was appropriate in each case. Since these exemptions all were effected by general amendment of the regulations, and the landlords in order to take advantage of the regulations do not have to communicate with the wartime prices and trade board, and since there never has been and is not yet any complete tabulation of every rental in effect in Canada, it is impossible to determine

the number of residential properties which have been affected by these various exemptions.

The wartime prices and trade board, by its order effective on April 14, 1947, permitted landlords who suffered grievous hardship from their inability to recover possession of their own housing accommodation to apply to a commissioner for an exemption permitting them so to recover possession in accordance with the laws of the province in which the accommodation is situated. It is the duty of the commissioner to consider the hardship of the landlord and also that of the tenant, if he were evicted, and either to grant or refuse such application. To the 31st of August, 1949, commissioners have granted such applications in the following numbers:

British Columbia	709
Alberta	316
Saskatchewan	289
Manitoba	382
Ontario	3,845
Quebec	2,505
New Brunswick	179
Nova Scotia	139
Prince Edward Island	24
	8,388

It should be emphasized that such exemptions are not decontrol but merely the granting of permission to the landlord to recover possession for his personal occupancy. So long as the tenant remains in occupancy the maximum rental ceiling is still in effect, and thereafter the premises are not rented but owner-occupied.

Effective November 1, 1948, the wartime prices and trade board permitted landlords who needed housing accommodation for their own personal residence and who had owned it since November 1, 1947, to give to the tenant six months' notice to vacate on forms provided by the board. A copy of such notice must be filed in an office of the board prior to service. To August 31, 1948, such notices have been filed in the following number:

British Columbia	357
Alberta	199
Saskatchewan	219
Manitoba	245
Ontario	5,210
Quebec	3,443
New Brunswick	133
Nova Scotia	87
Prince Edward Island	7
	9,900

Again it is pointed out that such notices to vacate are not indicative of residential properties which have been decontrolled. They simply represent demands for possession filed in the board's office. If they were served on the tenant, and in all probability the large majority were so served, the maximum rental ceiling applied to the residential accommodation until the tenant vacated, and thereafter the accommodation was owner-occupied. In fact in both these cases and those described in the preceding paragraph the board by a special and individual order on each filing prohibits the landlord from renting or selling the accommodation for a lengthy period.

NATIONAL DEFENCE—"EXERCISE EAGLE"

Mr. Pearkes:

1. How many troops, army and R.C.A.F., took part in "Exercise Eagle?"
2. How many aircraft took part, and of what type were they?
3. How many observers and spectators from the services were permitted to watch the exercise?
4. How many civilian spectators were authorized to attend?
5. What was the total cost of the exercise?

Mr. Claxton: While I am giving the answer to this question, it should be understood that it is not to be regarded as a precedent for giving similar information in the future about other training exercises.

1. Army—965 of which 225 were reserve; R.C.A.F.—659 of which 50 were auxiliary.

2. 72—Long range transport, tactical transport, communication, tactical bombers and fighters and trainers.

3. 54.

4. 41 press and radio personnel. No restriction was imposed upon the public, and approximately 500 watched the parachute drop and a further number estimated at 900 watched the action at Dawson Creek.

5. The exercise was part of the regular training of the forces, and additional expenses over and above pay, allowances, etc., incurred in connection with the exercise for overhaul spares for aircraft, travel, transportation, freight and fuel, amounted to $131,000.

INTERNATIONAL WHEAT AGREEMENT

Mr. Argue:

1. What nations are participating in the international wheat agreement?
2. What is the total market available for wheat under the agreement, as presently operated?
3. What is Canada's share of the total market?

Mr. McIlraith: 1. Austria, Belgium, Bolivia, Ceylon, Denmark, Dominican Republic, Egypt, El Salvador, Greece, India, Ireland, Israel, Italy, Lebanon, Mexico, The Netherlands, New Zealand, Norway, Peru, Portugal, Saudi Arabia, Sweden, Switzerland, Union of South Africa, United Kingdom, Venezuela, Australia, Canada, France and the United States of America. In addition to the foregoing countries which have ratified the agreement, the following countries have until

October 31, 1949, to ratify: Brazil, China, Colombia, Cuba, Ecuador, Guatemala, Liberia, Nicaragua, Panama, Philippines and Uruguay.

2. 456,283,389 bushels, subject to adjustment of quantities upward for importing countries or downward for exporting countries to allow for countries which may not eventually ratify.

3. 203,069,635 bushels, or 44.5 per cent.

CANADIAN NATIONAL RAILWAYS—KAMLOOPS JUNCTION TO KAMLOOPS STATION

Mr. Fulton:

1. Has the government or the Department of Transport received any advice to the effect that the Canadian National Railways intends to discontinue the movement of its transcontinental trains to and from Kamloops Junction to Kamloops station?

2. If so, what reasons are given for this decision?

3. Will the government or the Minister of Transport intervene to have the railway continue the service to and from Kamloops as formerly?

Mr. Chevrier:

1. Yes, by passenger traffic department, special circular No. E-16/49. This circular was sent to the board of transport commissioners and to the Department of Transport.

2. The Canadian National Railways advise that until the fall change of time train No. 3, one of Canadian National's two westbound transcontinental trains, operated via Kamloops. Withdrawal at the conclusion of the summer service of one of the two steamers plying between Vancouver and Victoria necessitated the schedule of No. 3 being shortened one hour in order to permit this train to make steamer connections. It was not possible to shorten the schedule of No. 3 sufficiently without eliminating the Kamloops Junction to Kamloops station movement.

3. It is not the policy of the government or the Minister of Transport to intervene in matters which relate to the internal operation of the Canadian National Railways, but it is open to any individual or organization to make representations to the board of transport commissioners with respect to changes which may be made from time to time in railway services.

FOREIGN EXCHANGE—DEVALUATION OF CANADIAN DOLLAR—IMPERIAL VETERANS

Mr. Church:

1. In view of the devaluation, will consideration be given by the government to providing imperial veterans residing in Canada some allowances for devaluation of the pound sterling?

2. Will any action be taken?

Mr. Mutch: Canadians who were domiciled in Canada prior to their service with the British forces have their British awards of pension supplemented by Canada to an amount equivalent to that paid to Canadian pensioners under similar circumstances. The recent devaluation of the pound sterling will consequently not affect such pensioners. The only proviso is that such supplementation may only be paid during residence in Canada. Other than the foregoing, no provision exists to pay moneys from public funds to imperial veterans who were non-pre-war residents and have income from some British source on the grounds that their income is affected by the change in rate of exchange.

WHEAT BOARD—COARSE GRAINS—DELIVERIES AND SALES BY PROVINCES

Mr. Diefenbaker:

1. How many bushels of (a) oats; (b) barley; (c) flax have been sold and delivered to the wheat board, by provinces, in the period August 1 and September 15, 1949?

2. How many bushels of each of said grains have been sold by the wheat board during the said period?

Mr. Howe: For obvious reasons it has not been the custom to give particulars of the current transactions of the wheat board. To publish the information would be to prejudice the operations of the board. I ask that this question be dropped.

Mr. Fulton: In view of the fact that the hon. member who asked the question is absent, may we ask that it stand pending his return?

Mr. Howe: No; it is not in the public interest to give the information. I would ask that it be dropped.

Mr. Charlton: A similar question was asked last year.

QUESTIONS PASSED AS ORDERS FOR RETURNS

HEALTH GRANTS

Mr. Coldwell:

1. How much of each of the health grants was approved for expenditure in each of the provinces prior to April 1, 1949?

2. What percentage of each of the health grants was approved for expenditure in each of the provinces prior to April 1, 1949?

3. How much of each of the health grants was paid to each of the provinces prior to April 1, 1949?

4. What percentage of each of the health grants was paid to each of the provinces prior to April 1, 1949?

5. How much of each of the health grants has been approved for expenditure in each of the provinces from April 1, 1949, to date?

6. What percentage of each of the health grants has been approved for expenditure in each of the provinces from April 1, 1949, to date?

7. How much of each of the health grants has been paid to each of the provinces from April 1, 1949, to date?

8. What percentage of each of the health grants has been paid to each of the provinces from April 1, 1949, to date?

Mr. Martin: Return tabled.

Orders for Returns

PRAIRIE FARM ASSISTANCE—MANITOBA

Mr. Ross (Souris):

1. How many townships in Manitoba have applied for assistance under PFAA?

2. What locations by township and range?

3. What are the names and addresses of field inspectors under PFAA, now in Manitoba?

RENT CONTROL

Mr. Isnor:

1. Are rental controls in effect at the present time?

2. Do houses owned by (a) individuals; (b) corporations; (c) trust companies; (d) Central Mortgage and Housing Corporation; (e) crown companies come under rental control?

3. Has the Central Mortgage and Housing Corporation at Toronto, or any other city, increased its rental rates during the past six months?

4. If so, was permission requested and granted?

BEEF CATTLE—EXPORTS TO UNITED STATES —LIVESTOCK OFFICERS

Mr. Isnor:

1. What was the total export shipment to United States of beef cattle for the first eight months of the years 1947, 1948, 1949, through each of the following provinces (a) Quebec; (b) Ontario; (c) Manitoba; (d) Saskatchewan; (e) Alberta; (f) British Columbia?

2. How many livestock officers are located in each of the above provinces?

SUPERANNUATED CIVIL SERVANTS

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 per month or 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. How many veterans of world war I are included in the figures given in each bracket in question 1?

4. What is the number of retired federal civil servants and also the number of widows of retired federal civil servants at present residing in each province?

SOLDIER SETTLEMENT—INDEBTEDNESS AND DEBT REDUCTIONS

Mr. Fair:

1. How many soldier settlers of great war I are still in debt to the soldier settlement board?

2. What is the total amount of their indebtedness?

3. How many have paid off their loans and acquired clear titles since January 1, 1948?

4. Have any reductions in debt been granted during 1948 and 1949?

5. If so, in how many cases, and what is the total amount of such reductions?

6. What is (a) the smallest; (b) the largest reduction granted?

[Mr. Martin.]

MOTIONS FOR PAPERS

TRANS-CANADA HIGHWAY

Mr. Diefenbaker:

For a copy of all correspondence that has passed between the government of Canada and the governments of the various provinces in connection with construction of, and in particular the location of, the trans-Canada highway.

Mr. Winters: Subject to the usual reservation as to obtaining the consent of the provincial governments.

Mr. Speaker: Carried, subject to the reservation made by the Minister of Reconstruction and Supply.

Mr. Coldwell:

For a copy of all correspondence and telegrams which have passed between the government of Canada and the government of Saskatchewan from July 1, 1944 to July 30, 1949, in regard to the trans-Canada highway.

Mr. Winters: Subject to the reservation that it would be necessary to obtain the permission of the Saskatchewan government.

Motion agreed to.

LABOUR CONDITIONS

CANADIAN PACIFIC EMPLOYEES—STRIKES OF 1918-19—PENSION RIGHTS

Mr. Stanley Knowles (Winnipeg North Centre) moved:

That, in the opinion of this house, the government should consider the immediate establishment of a royal commission to examine into the whole question of the pension rights of Canadian Pacific employees who were involved in the strikes of 1918 and 1919, the said commission to have power to determine the settlement that should be made of the matters in dispute and to whom and in what manner any pension adjustments should be made, as recommended by Mr. H. S. Johnstone, Industrial Relations Officer of the federal Department of Labour, in his report to the Minister of Labour under date of December 7, 1945.

He said: I am satisfied that this is a motion the purpose of which has the support of hon. members in all parties in this house. In fact I believe it has the support of the majority of hon. members, and I hope they will vote accordingly. Its purpose is to try to find a way to rectify a gross injustice perpetrated thirty years ago. It may seem strange that an injustice outstanding so long should still be the subject of debate in this House of Commons, but hon. members who were here prior to the last election, and those who were here prior to the election of 1945, will be familiar with the story of the employees of the Canadian Pacific Railway Company whose pension rights were denied to them because of their participation in certain strikes of 1918 and in the Winnipeg general strike of 1919.

I realize that hon. members who have been here as long as I have, or longer, may feel that the story is well known to them and need not be rehearsed; but so as to refresh their memories, and so as to bring the grievous nature of this injustice to the attention of the ninety or one hundred new members, I should like to touch upon some of the highlights.

As some hon. members know, there were in the years 1918 and 1919 a number of sporadic strikes, particularly in western Canada from Fort William through to the Pacific coast. In addition to these strikes, many of which were of short duration—one that I know of in Kenora, Ontario, lasted for only eighteen hours—there was the general strike in Winnipeg in May and June of 1919. Railway employees became involved in these strikes, particularly in the general strike of 1919. Those involved were mainly the shop crafts, the trainmen, express employees, and a few others. I am not going into the story of the strike itself, nor shall I argue its merits one way or another at this late date; but the fact is that when employees of various companies and corporations returned to work, questions arose about their pension rights. In due course employees of other large corporations and bodies in the city of Winnipeg had their pension rights restored. I refer particularly to the employees of the Canadian National Railways, a few provincial government employees, quite a number of telephone employees, and also employees of the city of Winnipeg, including policemen and firemen. All those employees were on plans which at that time were noncontributory. Yet in a very short time the pension rights of the employees of all these other employers to whom I have referred were reinstated. But not so the employees of the Canadian Pacific Railway Company. They were informed that a rule in the pension plan, which had been in effect since 1903, brought about a condition under which a break in service would cut off any prior pension rights. Another rule stipulated that no one starting to work over the age of forty years could become eligible for pension.

The joint effect of these two rules was that Canadian Pacific employees who were over forty years of age in 1919 lost all the pension rights they had earned up to that time, and were denied entry into or the enjoyment of any pension benefits they might otherwise have earned after 1919. I emphasize that there is that group of men who thirty years ago were forty years of age and over who lost their pension rights in their entirety. In addition to that, employees who in 1919 were under forty years of age, while in due course permitted to enter the pension plan which was brought into effect in 1937, and while given certain rights from 1919 to 1937, were denied all rights they had earned prior to 1919.

This means that we now have quite a number of older men in the first category about which I have spoken who are retired employees of the Canadian Pacific Railway Company, some of whom had thirty, forty or fifty years of service—I know of one who had fifty-four years—but no pension whatsoever. In addition we have men retiring now, year by year, and going on pension, but that pension is reduced from what it should be. They receive only such rights as they have earned since 1919. They lose the rights they earned prior to that year.

For reasons which have been detailed here so often, and which are well known particularly to hon. members from railway centres from Fort William to the Pacific coast, the men affected have felt this was a grievous wrong, and one which should be rectified. They made their own efforts over the years, particularly in 1936, 1937 and 1938, when negotiations were under way in connection with the new contributory plan which was put into effect on January 1, 1937.

During the negotiations for that plan the general chairmen, who represented the trade unions to which these men belonged, tried to have the company reinstate the men who had lost their rights because of the so-called break in service in 1919. The company refused. Even after the new pension plan was agreed to, and even after it came into effect on January 1, 1937, the same general chairmen who had negotiated for the men in respect of the new contributory plan continued to negotiate, and appealed on behalf of the men who were affected because of the 1919 situation.

I emphasize that point because it is sometimes alleged that the unions, and the leaders representing the men, accepted this as an accomplished fact when they agreed to the new pension plan. This is not so.

Mr. Mitchell: Would the hon. member give the name of the general chairman?

Mr. Knowles: I have on my desk, and was about to deal with, a copy of a letter sent out on October 18, 1939, over the signature of Thomas Broad, addressed to all the officers and members of the affiliated lodges—and in this connection the affiliated lodges are those of the C.P.R. system federation, No. 125—telling the members of the affiliated lodges what they had been trying to do on their behalf, and expressing regret that thus far Mr. Coleman, on behalf of the Canadian Pacific Railway Company, and the others

for whom he spoke, had not seen fit to meet their request.

In the letter sent out by Mr. Broad, in which he quoted from a report placed in his hands by Mr. A. McGovern and Mr. J. A. Bell, who were respectively chairman and secretary of the subcommittee dealing with the question of the reinstatement of pension rights, this statement is made by the general chairmen, who carried on representations on behalf of the men:

> We have kept in close touch with this matter for a very considerable period of time, always encouraged by the hope that sufficient improvement might take place in the financial condition of the company to enable us to realize the firm conviction which we have always held, that, in such improved conditions at least, some relief might be forthcoming.

One of the main arguments used by Mr. Coleman was that to meet the request made would cost $1,250,000 and, their revenues being what they were in the mid-thirties, the request could not be granted. But the same general chairmen reported the firm conviction, following their dealings with the company, that if there came a period of better revenues, the requests of the applicants might be met.

Mr. Mitchell: Did the hon. member read the advice of the late Senator Murdock on behalf of the trainmen?

Mr. Knowles: The late Senator Murdock came to see me and to talk with me about this matter on several occasions. If there was one man in this building who kept encouraging me to keep at this matter, it was the same late Senator Murdock.

Mr. Mitchell: He is not here to speak for himself.

An hon. Member: Who is making the speech?

Mr. MacInnis: Why do you not speak for him?

Mr. Knowles: In connection with the financial position of the company, I hold in my hand annual reports of the Canadian Pacific Railway Company for the years 1942 to 1948. They show the following as the net incomes of the company in those years:

Year	Net Income
1942	$48,187,689
1943	42,982,718
1944	34,699,830
1945	31,614,162
1946	25,134,731
1947	31,893,942
1948	27,393,851

These are the net incomes before they paid dividends, which in some years were of the order of $5 million, some years of the order of $11 million, but always a good balance in terms of millions to add to the profit and loss account. Yet they still protest that they cannot afford the million and a quarter—and it is less now because of the number of men who have passed away—that it would cost to rectify this injustice.

In view of the efforts these men had made through their trade union leaders to obtain redress from the company, and in view of the further fact that the company had refused to meet them through their leaders, the day naturally came when some of them decided it would be well to see if something could be done on their behalf from the floor of this house. Shortly after I was first elected to the House of Commons, therefore, they came to me, as a representative from the city of Winnipeg, and, as the older members in the house will know, I have been discussing this matter from the floor of the house ever since.

May I point out at this moment that my efforts in connection with this whole problem have divided themselves into two parts: On the one hand I have tried to persuade the government to find some way to rectify the injustice perpetrated in 1919, and on the other hand I have tried to get legislation to prevent the recurrence of this kind of injustice.

With respect to the second matter of trying to get legislation to prevent this from happening again, hon. members who were here in the last parliament will know that that has been achieved. It is now the law of the land that—

> No employer or employers' organization, and no person acting on behalf of an employer or employers' organization, shall—

I skip a bit to get down to the meat of the law from which I am quoting:

> —deny to any employee any pension rights or benefits to which he would otherwise be entitled by reason only of his ceasing to work after the commencement of this act as the result of a lockout or while taking part in a concerted stoppage of work due to a labour dispute where such lockout or stoppage of work has been enforced by the employer or called by the recognized representative of such employee, as the case may be, after all steps provided or contemplated by law have been taken through negotiation, collective bargaining, conciliation and arbitration to settle such dispute or by reason only of dismissal contrary to this act.

I am reading from subsection 2 (b) of section 4 of the labour code. That amendment was agreed to by this house on June 17, 1948. Hon. members will remember how often I asked for that protection. It means a great deal, not only to the railroad workers but to all workers covered by the federal labour code, to have it in there. I might say in passing that the effect of this parliament passing that amendment has gone even farther. Ontario has adopted the federal labour code in full, and that clause now appears in the labour code of that province.

As I have said before, one of the things that has been most thrilling to me in my experience in public life is the way in which these older men whose cases are still not rectified have rejoiced in the fact that their loss has not been in vain, that there is now such an act on the statute book which prevents it from ever happening again. I want to impress upon hon. members who have heard me speak time and time again on this subject the fact that there is a difference between the bill I brought in year after year, the principle of which is now on the statute books, and the fact that the men who were deprived of their rights in 1919 still have not had that injustice rectified.

In bringing this matter before parliament during the early years of my sojourn here I tried to get the government to look at it in various ways. The Minister of Labour (Mr. Mitchell) expressed sympathy for the plight of these men, and he used certain arguments which I shall come to in a moment. The minister stated that the letters I was producing from local lodges across the country expressed just local feeling, and that he could not act unless there was a request from the Canadian heads of the unions involved.

Mr. Mitchell: I never said anything of the kind.

Mr. Knowles: If the minister wants it I shall dig up *Hansard* and show it to him. What did I do? I communicated with the people interested, and in April, 1945, that objection was met by letters being sent to the prime minister from Mr. Frank Hall, of the Brotherhood of Railway and Steamship clerks; Mr. J. Hampson, of the International Association of Machinists, and Mr. J. J. Hendrick, Canadian vice-president of the Brotherhood of Railroad Trainmen. Those three men, along with Mr. Thomas Boyd, of the Brotherhood of Express Employees, a Canadian Congress of Labour railroad union, asked the Prime Minister to establish a royal commission to go into the whole question. Those letters from the trade union leaders whom I have named—all of them the Canadian heads of their unions—were written on April 6, and when no action had followed by April 12 of that year I brought the matter up on the floor of the house and asked the then prime minister if he would give attention to it. As recorded in *Hansard* of April 12, 1945, the prime minister said that if they had written him making such a request it would certainly receive consideration. A little later in the same exchange that day the then prime minister, Mr. Mackenzie King, said, as reported on page 818 of *Hansard:*

> I remember having had an experience somewhat similar of a strike in 1910 or 1911 when I was minister of labour, and we were unable to get redress for another twelve years, but we got it eventually. If any wrong has been done in this case—

That is the case I am now talking about.

> —I would hope that it might be remedied, even if it took forty years.

I suggest that there is the stamp of approval, of the principle at any rate, of the fight that we are carrying on in connection with this matter, by the former prime minister himself. That was April 12, and only a few days later, on April 24, an officer of the Department of Labour, Mr. M. M. Maclean, was directed by the minister to instruct Mr. H. S. Johnstone, an employee of the Department of Labour, to make an investigation into this matter.

The terms of reference of that investigation were specific, and are set out in the report Mr. Johnstone made later to the Minister of Labour. He was asked to determine whether or not a royal commission should be appointed. That was the task given to Mr. Johnstone by Mr. Maclean on April 24, 1945. Mr. Johnstone conducted a thorough investigation and made a report on December 7 of that year, a copy of which I hold in my hand. It is sessional paper 238A, which was tabled in this house on Tuesday, August 20, 1946.

This is a 66-page document. If you read it through you will find that Mr. Johnstone interviewed all the people who were concerned or even related to this question. He interviewed representatives of the Canadian Pacific Railway Company, Canadian Pacific Steamships, representatives of the former Canadian Pacific Express Company, and of the various unions at both high and local levels. He also saw representatives of the Canadian National Railways in Winnipeg, and of the government of Manitoba, and the city of Winnipeg, in order to get their views of what they had done in the same situation. His report summarizes all those conversations and deals categorically with a number of points that had been in dispute. May I remind hon. members again that the question asked was clear-cut: Should a royal commission be established? This is the concluding paragraph of the report in which Mr. Johnstone answers that question:

> It is the opinion of the undersigned that the employees have established strong claims for consideration. The nature and extent for adjustments, if any, cannot be determined except by a more exhaustive analysis than was possible, or even contemplated, in this preliminary investigation. I would therefore recommend that a royal commission be established to examine into the whole ques-

tion, to determine what if any consideration should be granted, and if so, then to whom and in what manner pension adjustments should be made.

That is signed by H. S. Johnstone, industrial relations officer of the dominion Department of Labour. I repeat that that is the categorical recommendation from an official of the department following the best and most objective study of this whole problem that has ever been made, and the results of which are contained in this worth-while report.

It took a while to get that report tabled in this house; as I have indicated, it was not tabled until August 20, 1946. When I discovered that Mr. Johnstone's recommendation was so categorical I thought it only reasonable that the government should carry it out. Naturally I began pressing for that action and questioned both the Minister of Labour and the former prime minister on the point. The minister knows that I raised the matter on a number of occasions. Every time I got an answer of some kind.

In the main the minister's answers have been consistent. He has given two reasons for objecting to the carrying out of this recommendation. Incidentally I might say that before we got this report in the house a copy had been sent to the Canadian Pacific, and they produced a memorandum commenting on it, and this memorandum was tabled in the house. We know of course that they objected to the carrying out of this recommendation. But the minister's objections have in the main been two, and one of the best statements of those objections was made in the house on Monday, February 3, 1947. The statement to which I refer can be found in *Hansard* of that year at pages 35 and 36. It was very early in the session. In the first place the minister said that he had consulted the Department of Justice, and the Department of Justice had advised him that the appointment of a royal commission would serve no useful purpose. On subsequent occasions, when I pressed the matter, the minister fell back again and again on that opinion from the Department of Justice. I will deal with that in a moment.

The other point the minister made was made by him after my good friend the hon. member for Calgary West (Mr. Smith) came to my support with a very fine statement. In fact I think I should read it. It is to be found on page 36 of *Hansard* of February 3, 1947, and reads:

> Mr. A. L. Smith (Calgary West): May I ask the Minister of Labour a question supplementary to that asked by the hon. member for Winnipeg North Centre? Has the minister no suggestion about finding some sort of justice for those people who were over forty years of age when the Winnipeg strike ended and were denied pensions for that reason? I think the hon. member has that in mind. To say that a royal commission will not be appointed does not help us very much. Has he no suggestion to offer as to getting justice for these people?

That is the whole point of this motion. I ask the house to pass it so that the government will have the opinion of the house that the government should give consideration either to the suggestion I make, the appointment of a royal commission, or to some alternative suggestion that will secure justice for these men. I shall read the answer made by the Minister of Labour to the hon. member for Calgary West at that time:

> Mr. Mitchell: The answer is simple. The money does not belong to the government to begin with. As both my hon. friend and the member for Winnipeg North Centre know, this money is the property of the Canadian Pacific Railway Company.
>
> Mr. Knowles: We don't agree.
>
> Mr. Mitchell: You don't agree with anything.
>
> Mr. Knowles: It is easy to see you agree with the C.P.R.
>
> Mr. Mitchell: It is the property of the Canadian Pacific Railway Company, and at the time no contribution, I understand, was made by the employees to the insurance fund.

Then there are exchanges between the minister and myself of the kind that he and I often have across the floor of the house. The minister makes the point that he does not feel he should be asked to spend other people's money.

Those are the two main arguments against my proposal for a royal commission. The first is the opinion of the Department of Justice that it would serve no useful purpose, and the second is the minister's contention that we should not spend other people's money. As to the first point, I think it is time that members of the house say what they all feel, that the Department of Justice is not a court of law, and that the rulings that cabinet ministers are able to bring from the Department of Justice in support of the stands they take in the house no longer impress us. There have been far too many of them.

In this instance I put against the advice of the Department of Justice the statement I have already read from the report of Mr. Johnstone who said that even after a six months' inquiry it was not possible to reach a final conclusion, but that the problem called for the more exhaustive inquiry involved in a royal commission. That is what a man says who lived with the problem for six months. The Department of Justice brushes it aside by saying that the appointment of a royal commission would serve no useful purpose.

Mr. Mitchell: After six months he could not make up his own mind.

Mr. Knowles: Oh, no! The minister apparently has not read the report. Mr. Johnstone certainly did make up his mind. His

mind was very clearly made up after studying both sides, and he was of the opinion that the matter should receive the attention of a royal commission. Frankly, if there is no purpose in setting up a royal commission when a grievous injustice is before the country, then let us not have any more royal commissions. It seems to me that the case is clear for giving consideration to this matter, and it is something that the house should call upon the government to deal with.

The other point the minister makes is that it is C.P.R. money. That is one of the issues in dispute, and Mr. Johnstone does not have any trouble making a statement with regard to that. It is found on page 15 of his report, and reads:

> Another argument has to do with the employee's equity in pensions. The employee organizations assert that during wage negotiations the company always pointed to the pension plan as one of the benefits accruing by reason of their employment with this particular concern. The company officials interviewed stated that they had never heard pensions being discussed in this manner during wage negotiations.

Look at what Mr. Johnstone says:

> The unanimity of the employees on this point makes it difficult to accept the company's statement. It is hard to imagine wage discussions occurring wherein the pension plan was not mentioned in this way. Any established plan of this nature, whether wholly company contributory or not, when maintained for a time becomes one of the established working conditions, and together with the actual wage paid they form the remuneration earned by the employee. The employee argument therefore that by each year of service he is building up deferred earnings in a pension is one which has considerable weight. To be deprived of these past earnings by reason of absence on strike, or absence during a strike, does not seem to be equitable treatment; and all the more so—

I ask the minister to listen to this.

> —and all the more so when the decision is made by the party which will thereby save large sums of money as a result of rigid adherence to this rule.

Mr. Johnstone was satisfied that this money, even though it was a noncontributory plan at that time, was an equity that the men had in the funds of the Canadian Pacific Railway Company, and that in effect the company was taking away from these employees a million and a quarter dollars, or more, if the company says it is more, that had been put aside for them.

I might point out that C.P.R. men who are on pension today draw a pension made up in part of what they have earned by contributing to the new fund since 1937 and in part out of the consolidated revenue fund, shall I call it, of the Canadian Pacific Railway Company for the years they served from 1919 to 1937. The money was in a different classification from that which is applicable now under the contributory plan, but the principle is the same. In those days the company told the men that this was their money. If you read Mr. Johnstone's report with regard to his interview with the Canadian National Railways, and provincial and municipal governments, you will find the same position taken. They all point out that their plans were noncontributory in those days, but that the result was the same. The money was there for the employees concerned. We are not asking that somebody else's money be given these men. We are simply asking that their own money that was set aside for them be given to them.

Those are the two principal objections that the Minister of Labour has given to the house. I think that the answers to them are unanswerable, and that the house should now pass the motion. In the name of such of these people who are still alive, I plead with the house not to play any tricks with this motion today, not to talk it out, but to take a few hours if necessary to debate both sides, and certainly before eleven o'clock tonight vote on it and ask the government to give consideration to the whole question. As I have already said, if the government has a better plan—

Mr. Carroll: May I ask the hon. member a question? Does he think his resolution gives the proposed royal commission power to enforce any award that it might recommend?

Mr. Knowles: As the hon. member knows, there are a number of rules that limit what private members can put on the order paper. If we put anything on the order paper that involves, even indirectly, the possible expenditure of money, you know what happens.

Mr. Carroll: I did not mean that at all. When a court of law makes a decision as to the apportionment of money, the court of law has power to enforce it. Does the hon. member think his resolution sufficiently definite to enable this royal commission, when it has made its report, to enforce any award that it might make?

Mr. Knowles: I should like it to be that way, but I know that if I made it that way, even if it were not challenged on a point of order, hon. members on the other side would then argue that I was going too far.

Mr. Carroll: Oh, no.

Mr. Knowles: Oh, yes. The hon. member has been here before; he will soon learn how it goes in this parliament, too. If you put too much into one of these motions you just do not get anywhere with it. I am prepared to leave some of the details to the government. I am prepared to leave it to them to work out the terms of reference of this royal commission. Further, may I say that I worded the resolution in the terms of Mr.

Johnstone's report. If you read the last few sentences of that report you will find that I am not asking the government to do any of the additional things I might like them to do, but only precisely what Mr. Johnstone recommended to the government concerning the matter which was placed before him.

Before my time runs out I want to refer to at least one other argument which is sometimes advanced in connection with this matter, though I do not recall its having been put forward on the floor of this house. I refer to the suggestion that it might upset the actuarial nature of the C.P.R. pension plan to pay these pensions, and that other employees who came to work in the twenties or thirties might not approve it. As a matter of fact there is a suggestion of selfishness in that argument that I do not find to be present among trade union workers, in particular among railroad workers; but it is an argument sometimes made which should be dealt with. Mr. Johnstone himself deals with it at page 16 of his report, where he says:

> The C.P.R. has claimed that in order to restore pensions it would be necessary to raise the employees' contributions under the new plan beyond the present three per cent—

In other words the C.P.R. claimed that if this had to be done they were not going to take the cost out of their own funds but were going to take it out of the pay cheques of the people now working for them. Of course all you have to do is make that suggestion and perhaps you can scare up some fear about it among those now employed by the company. But I can tell the minister it has not worked out in that way. Young men in the Canadian Pacific Weston shops, who for the most part live in my riding, who have been working for the railway perhaps only a few years, are just as much interested as are the older men in having this grievance rectified. Let me continue quoting from that paragraph:

> —the inference being that the employees on a system-wide basis would not agree to this. The petitioners in this case are asking for restoration of benefits lost under the old plan—

They are asking for the money that was set aside in the years prior to 1919, and which is now in the consolidated revenue fund of the railway company.

> —and it is hardly fair to argue now that the request cannot be granted because it is believed that other persons than the company, namely the present employees, are not prepared to pay for something the C.P.R. failed to provide in the past.

I read that paragraph partly for its own content, but also to indicate that in his report Mr. Johnstone has dealt with all the arguments, and in nine cases out of ten his findings make it clear that the case is on the side of the men and that the company has not a leg to stand on.

There is one place where he does say the company has something to its credit. It is a minor point, but I am going to refer to it. On page 8 of the report he deals with the case of the employees of the Canadian Pacific Express Company, and points out that a few of these, twenty-three to be exact, who were over forty when they returned to work in 1919, did have their rights reinstated from 1919 down to October 18, 1937, the date settlement was made. The men say this is one case in which the pension rights of men over forty were reinstated, and that this does seem like a point from which the C.P.R. ought to go on and give justice to the rest of the men. But the company comes back and says that in the pension plan of the Canadian Pacific Express Company they did not have that "over forty" clause which has been in the plan of the Canadian Pacific Railway Company since 1903. Even so, says Mr. Johnstone, this is an example of substantial justice which was given a few people, and the men generally feel it indicates that a break in service should not interfere with their pension rights.

For all these reasons, Mr. Speaker, and the reasons I have been giving down through the years; and because of the fact that this parliament pronounced itself upon this principle by section 4 (2) (b) of the labour code passed on June 17, 1948, I urge that we should not let this matter drop. It is true that a number of these men have died even during the years I have been raising this question on the floor of this house. It is also true that as the years go by the men who retire and lose part of their pension rights lose a relatively smaller portion, because this relates only to what they would have earned prior to 1919. But here is a case of grievous injustice. Originally over ten thousand men were involved in these strikes in 1918-19, but it was not long before the number affected so far as pension rights were concerned dropped to four thousand, then three thousand and two thousand. So far as I can estimate from my study of the problem, I doubt whether more than two thousand are affected today. Of those two thousand probably less than two hundred are affected in full—that is, less than two hundred of these men were forty years of age thirty years ago and are still living, but without pensions because they were over forty years of age when they went back to work in 1919. To those two hundred men this parliament owes redress of this grievance. In addition to the two hundred something less than two thousand, perhaps 1,500, are either now retired on less pension

han they should have, or will be retiring luring the next few years with pensions less han they otherwise would enjoy.

I have said already, and I repeat it, this parliament pronounced on this principle on June 17, 1948. We stated that from then on his sort of thing was not going to happen again. We wrote it into the law of the land. I am not trying to stretch a legal point. I know that law came into effect only when the act was proclaimed. It was not retroactive, more is the pity. But we have accepted the principle that absence due to a strike should not interfere with pension rights, and having done so I submit that this parliament should say that that legislation should be retroactive in this instance, at least in principle, so that his grievance may be rectified before all these men are gone. I plead with the house to treat this matter seriously, and, before this day is over, to see that this resolution passes.

Mr. A. F. Macdonald (Edmonton East): Mr. Speaker, I have listened with a great deal of interest while the hon. member for Winnipeg North Centre (Mr. Knowles) presented his case in support of this resolution. When I saw this motion on the order paper I believed I could add something to the debate, because, while I am not an employee of the Canadian Pacific Railway Company, I am employed by a steam railway in this country. I can tell you, Mr. Speaker, that when men and women serve in that important industry they are made aware of all the rules governing their employment and the operation of trains and their duties. Knowing a little about labour matters, and having been employed in western Canada at the time of the 1919 strike, though not one of the strikers, I looked up the pension rule of the Canadian Pacific Railway Company which is in question here, and it reads like this:

> 13. Persons voluntarily leaving the employment of the company when their services are required hereby become ineligible for pension allowance.

There is no question about it; it is definitely laid down, and I am sure every employee is aware of the rules governing the pension fund and of the fact that the railway had absolute jurisdiction over that fund. I am sure also that the employees are aware of the rules and regulations which apply when their employment with the railway is terminated because of the fact that they have reached the age of superannuation.

At the time of the 1918-19 strikes the strikers were participating in a sympathy strike and were using their economic arm in a dispute that was no concern of the railway that was employing them. It was definitely a sympathy strike. In going out on such a strike the employees did not abide by the pension rules. If I recollect correctly, the union leaders of that day thirty years ago advised the employees—even begged them—not to go out on strike.

The action of the federal Department of Labour has now been called into question. From my own experience I know that the federal Department of Labour is not a dictatorship, but it gives legislative advice to the government. In this country we have enacted labour laws and laws for the handling of industrial disputes. The Department of Labour has the means of conciliation and the machinery to put to work to safeguard the interests of labour and management.

As to the question of pension rights of the C.P.R. employees who were involved in this strike of thirty years ago, in an attempt to clear up this matter the Department of Labour did go so far as to delegate an industrial relations officer in the person of Mr. H. S. Johnstone to make a separate inquiry and report to the department. This he did. The report made by him has been highly praised by labour. But the resolution now before us proposes the establishment of a royal commission to inquire into the whole question. I am certainly opposed to the resolution. The C.P.R. definitely has no legal responsibility to abide by the findings of a royal commission even if those findings favoured the paying of the pension. There is no obligation to do so on the part of the C.P.R. After thirty years have elapsed, if we were to favour the establishment of a royal commission at this time we could only be accused of giving support to the establishment of a pressure group. I am quite sure that the intent of this resolution is to try to prejudge the findings of a royal commission, if one were established, and to use those findings in order to put pressure on the company to do something they have no legal right to do. There is no legal responsibility on the C.P.R.

Then I think there is something really more terrible in moving this resolution after thirty years have gone by, and that is because of the humanity involved. If we vote to establish a royal commission or to find ways of establishing one, we shall raise the hopes of these people that they have a legal right which I believe they do not possess. I am sure their hopes would be raised and that a royal commission, even if one were appointed, could do nothing about the matter.

I hesitated to rise on this matter, but the labour laws of this country are respected and I believe that at this time we have no right to ask for the establishment of a royal commission to inquire into something that has already been dealt with.

Labour Conditions

Mr. W. Ross Thatcher (Moose Jaw): I am certain, Mr. Speaker, that the resolution which is before the house this afternoon is one which will be of prime interest to the many railroad workers in the constituency of Moose Jaw. This afternoon therefore I should like to join with the hon. member for Winnipeg North Centre (Mr. Knowles) in what I at least think is a reasonable appeal to the government.

What does this resolution before us this afternoon ask us to do? It calls for the establishment of a royal commission to examine into the whole question of the pension rights of Canadian Pacific employees who were involved in the strikes of 1918 and 1919, the said commission to have power to determine the settlement that should be made of the matters in dispute. The history of the strike is so well known that I shall not dwell on it this afternoon. The hon. member for Winnipeg North Centre (Mr. Knowles) covered it briefly. Hon. members will, however, recall that back in 1919 approximately ten thousand railroad workers went out on strike. The strike was one of the most unfortunate, I suppose, in Canadian labour history. Finally it was broken. It was crushed by the company. But the C.P.R. were not content merely to crush it. Having done that, they decided that they would also take away the pension rights of the employees by calling the strike a "break in service". As the hon. member for Winnipeg North Centre pointed out, employees over forty were cut off from all pension rights and those under forty were cut off from pension rights before 1919. Since that time we have seen representation after representation made by the various railroad unions to the company, all of which have failed.

I think a great deal of credit is due the hon. member for Winnipeg North Centre for having raised this matter in the house so consistently since 1944. I know that the railroad workers in my own constituency greatly appreciate his efforts. I think it was largely as a result of the plea he made in this house that Mr. H. S. Johnstone, an official of the labour department, was appointed by the minister to investigate this whole question in 1945. I might say that Mr. H. S. Johnstone is well known to me. He used to be the mayor of Moose Jaw, and I am sure he is exceedingly capable; he is an able and honest-minded citizen. I think the Minister of Labour (Mr. Mitchell) used great discretion when he appointed him. Mr. Johnstone spent many months speaking with the various people affected by and interested in this strike. Some of the statements he made in his report are fairly interesting to a layman.

For instance, on page 2 he states that a roya commission which had been set up by Si Robert Borden—

> . . . recommended specifically to the C.P.R. that th action of the officers be not considered a break i service affecting employee rights.

Then on page 14 Mr. Johnstone stated:

> In the state of chaos which existed it is conceiv able that many of the absentees were away becaus they genuinely believed they were in danger if the tried to work; others had good reason to believ they were needed at home; still others might hav presented themselves for work that afternoon, an finding the premises closed could see no good reaso for remaining on hand;

Then on page 15 Mr. Johnstone goes on t say:

> . . . the employers argue that the strike was illega If it were, then the proper place to bring punitiv measures is through the courts. The legality o illegality of a strike is not mentioned in the pensio rules, and the fact that the strike is illegal shoul form no part of the decision to withhold or grar pensions.

Then on page 16 Mr. Johnstone continued

> The C.N.R. has passed through the same experi ence as the C.P.R. The C.N.R. has not regarde absence on strike or absence during strike as dis qualifying a worker for pension.

He went on to point out that the employee of the Manitoba government, the employee of the Manitoba telephone system, and th Winnipeg municipal employees' who ha also gone out on sympathy strikes, did nc have their pension rights taken away fro them. Finally, on page 17 of his report M Johnstone made a categorical recommendatio as follows:

> It is the opinion of the undersigned that th employees have established strong claims for cor sideration . . . I would therefore recommend tha a royal commission be established.

The report is a particularly significant on in view of the fact that it was made by a official of the labour department, and mad by a man who I believe was appointed b the minister himself. The report was mad four years ago, but still nothing has bee done about it. I ask the minister and th government: If they did not intend t implement Mr. Johnstone's recommendation why did they waste his time, and the tax payers' money, in having him compile report?

The resolution which is before us toda asks parliament to do exactly what one the minister's officials has recommended—n more and no less.

When representations were made in 19 by the unions, regarding the pensi rights, requests incidentally which had bee made repeatedly, at earlier dates, to M D. C. Coleman, vice-president of the Can dian Pacific Railway, he said:

> We have kept in close touch with this matter ov a considerable period of time, always encourag

by the hope that sufficient improvement might take place in the financial position of the company as to enable us to realize the firm conviction which we have always held that in such improved conditions some relief might be forthcoming.

In other words, the then vice-president frankly admitted that there was a moral obligation on the part of the company, if not a legal obligation. At that time Mr. Coleman blamed the financial position of the company for the inability of the Canadian Pacific Railway to take any action in regard to these pensions. As the hon. member for Winnipeg North Centre (Mr. Knowles) has pointed out, in the last ten years the financial position of the company has greatly improved. It has had very healthy surpluses each year and considerably augmented revenues. We have seen the board of transport commissioners grant freight rate increases totalling I believe about 28 per cent. Surely now there is no excuse for the company, if that was the reason they gave for not giving these pensions. So far as I know, they have made no attempt to live up to the promise which Mr. Coleman made in 1939. Personally I believe that even at this late moment the railroad itself, on its own initiative, should make some attempt to restore these pension rights. Most Canadians would probably agree that there were wrongs on both sides of this dispute. Most Canadians would agree that probably the railroad had certain legitimate grievances. But surely after 29 years, surely after all the suffering that some of these employees have endured, the railroad can at this time afford to be magnanimous, even though belatedly so.

The board of transport commissioners and the government of Canada have been generous with the Canadian Pacific Railway in the last few years. I do not think it would hurt the Canadian Pacific Railway to be equally generous with some of its loyal and faithful employees. If the railway still refuses to act, Mr. Speaker, then this royal commission should be set up. The trade unions have asked for it, and the minister's investigator has asked for it. I do not see why we cannot act. The minister has said that the commission could not force the company to carry out its recommendation; the hon. member for Edmonton East (Mr. Macdonald) has suggested that it would not be legal. But surely no one in this house is naive enough to suggest that the board of transport commissioners would not have certain bargaining powers with the railway. I suggest that they use these bargaining powers and use them pretty soon. I believe that it is in the interests of every hon. member, regardless of his politics, to have this matter investigated, and I hope that a vote will be taken before eleven o'clock and that the royal commission will be set up.

Mr. C. E. Johnston (Bow River): Mr. Speaker, I do not wish to take up a great deal of the time of the house on this resolution because I have spoken quite extensively on it on another occasion, but I do wish to express the view that it seems to me rather strange the Minister of Labour (Mr. Mitchell) did not act upon the recommendations of the Johnstone report, when it was he himself who set in motion the machinery for the commission. It is decidedly poor practice to disregard the recommendations of a commission of the kind that Mr. Johnstone was the chairman of, even though they did not quite coincide with the views held by the Department of Labour. In my view there is a greater need than ever before for the government to set up the royal commission asked for in the resolution, and by that means determine once and for all whether there are sufficient grounds to compensate these men, as requested in the resolution.

I was amazed at the remarks made by the hon. member for Edmonton East (Mr. Macdonald). It is a well-known fact of course that railway officials are on call almost all the time, but that does not interfere in any way with this particular subject. The point is, when a strike is in operation the men cannot go back to work. If you made it a general rule that a man must appear for work when a strike is called—whether it is a legal strike or not is not the point—of what use would a strike be? What earthly effect would a strike have if employees had to report for work? In effect, what the hon. member for Edmonton East suggests is that the power of a strike be taken away from workers entirely. If that were done they would have no effective weapon whatever with which to fight large companies. Almost everyone in his senses would regard such a suggestion as utterly foolish.

As has been suggested, the government itself recognizes the power of a strike, because it is guaranteed in the national labour code, and properly so. If the hon. member for Edmonton East kept in a little closer touch with the Department of Labour he would know that.

Mr. Mitchell: The hon. member was a member of the industrial relations committee and I think he will agree with me that there is no recognition of the breach of contract in the labour legislation of this country.

Mr. Johnston: I did not say that.

Mr. Mitchell: But the hon. member ran around the corner.

Mr. Johnston: That is just another illustration of why this resolution should be passed. The minister is assuming that I said something which I did not, and he is assuming something else which is not in the Johnstone report. It is wrong to base a judgment on that kind of assumption, and there should be a royal commission to determine once and for all what the facts are.

The hon. member for Edmonton East thought it was a shame to raise the hopes of these poor individuals. What a lamentable excuse! He would throw out the resolution which asks for a thorough investigation of this matter on the ground that it may raise the hopes of these individuals. I wonder whether it is better to raise their hopes or to let them starve to death. Apparently he would prefer the latter. I am quite convinced that the people of Edmonton East, who elected him, even though they be Liberals, would object to an attitude such as that.

Mr. Macdonald (Edmonton East): On a question of privilege, the hon. member is making statements that are quite derogatory.

Mr. Johnston: What is the privilege? It is just a matter of opinion.

Mr. Wylie: He has no privilege.

Mr. Johnston: Most hon. members will agree that in the statement he made the hon. member for Edmonton East was wrong all the way through.

Mr. Macdonald (Edmonton East): I did not state—

An hon. Member: Sit down.

Mr. Deputy Speaker: Order.

Mr. Macdonald (Edmonton East): I did not say that men could starve.

Mr. Johnston: I did not hear the point of privilege.

Mr. Cote (Verdun-La Salle): May I be allowed to speak on the point of order.

Mr. Wylie: You can make your speech later on.

Mr. Cote (Verdun-La Salle): Speaking to the point of order raised by the hon. member for Edmonton East—

Mr. Wylie: That does not come under this question.

Mr. Cote (Verdun-La Salle): Anyone may speak on a point of order. I understood the hon. member for Edmonton East to say that, unless it could be proved that the findings of a royal commission could be executed or could be enforced, an inquiry would raise hopes unnecessarily in the minds and hearts of those who were affected by this matter.

Mr. Johnston: How would you know whether the findings and conclusions of a royal commission would raise the hopes of the men until the commission had completed its work? No objection surely could be raised on that ground. They may, and very likely would, rule in favour of the Johnstone report. I am afraid that that is what the government fears, and why it is somewhat reluctant to set up the royal commission to make a thorough investigation.

As I said at the beginning of my observations, it was not my intention to speak at length because I have spoken about this matter on other occasions. I wish to assure the house however that I am in full accord with the sentiments expressed in the resolution. I should like to see the royal commission set up, and proper attention paid to these men.

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, I am going to say only a few words in this debate, because I do not think the case made by the hon. member for Winnipeg North Centre (Mr. Knowles) requires support. I do not believe his case could be improved by anything that either I or any member could say in support of it.

I rise merely to draw attention to a question which has been asked in connection with the appointment of a royal commission. This question was asked by the hon. member for Inverness-Richmond (Mr. Carroll), and I believe the same question has been put in more positive form by the hon. member for Edmonton East (Mr. Macdonald). The hon. member for Inverness-Richmond has asked whether the findings of a royal commission, if enforceable, could be legally binding upon the company. Then, if I heard him correctly, the hon. member for Edmonton East gave it as a categorical statement that the findings of a royal commission could not be legal.

Surely when a royal commission is appointed we do not ask whether its decisions or its findings—it does not make decisions; it makes findings—can or cannot be enforced. That is not the purpose of appointing a royal commission. About a year ago the government appointed a royal commission on prices. Was it a prerequisite to the appointment of that royal commission that its findings could be enforced in a court of law? It could make findings against certain companies.

We have appointed hundreds of royal commissions. As a matter of fact, a royal commission is appointed to ascertain facts, following which the government may or may

not act upon such facts thus ascertained by the royal commission. That is the whole point of this proposed appointment.

Let me go back to the appointment of Mr. Johnstone, who was appointed to investigate this matter and make recommendations. Evidently his recommendations were not binding. Nevertheless he was appointed and he made a finding to the effect that the case should be further investigated by a royal commission, such body or individual having greater moral authority than he would have.

I am positive that, if the investigator had said he did not think a royal commission should be appointed, the Minister of Labour (Mr. Mitchell) would bring that forward at once as a reason for not appointing such royal commission. He would base his case solely upon that finding. However, the investigator did not do that; on the contrary, he submitted to the Department of Labour that this was a case of importance sufficient to warrant the appointment of a royal commission to ascertain further facts. I suggest that the Department of Labour, or the government on the advice of the Department of Labour, could not go far astray in accepting that advice.

Hon. Humphrey Mitchell (Minister of Labour): Mr. Speaker, I should think the hon. member for Vancouver East (Mr. MacInnis), who spoke last, would probably remember very little of the 1919 strike. You do not need a royal commission, because the point is a simple one.

The hon. member for Bow River (Mr. Johnston) has referred to the right to strike. No one is denying anyone the right to strike. There is a fundamental principle in British institutions, namely the sanctity of contract. Let us understand that.

Hon. members will understand that I have some knowledge of the 1919 strike, and had knowledge of it before some hon. members who now sit in the House of Commons resided in Canada. I remember as a young man negotiating an agreement with the Dominion Power and Transmission Company, of Hamilton, one of the vice-presidents of which was the father of the Minister of Mines and Resources (Mr. Gibson). I recall the mental condition throughout the country at that time, and the people who went up and down this country, as so often happens, without any sense of responsibility to the people they are supposed to lead.

Frankly—and I suppose I learned this procedure at my mother's knee—I said to my organization of electrical workers: "If you go on strike in sympathy with these people in Winnipeg, I am through, because I have just negotiated and signed a contract with this company."

I do not have to ask Mr. Johnstone because, you will understand, this is the end of the road. I have to make the decision. There is no place beyond this; this is the pivotal point. I have said before in the house that I think the hon. member for Winnipeg North Centre is just kidding these people—that is all. Well, perhaps I should not go that far—

Mr. Knowles: Would the minister permit one question?

Mr. Mitchell: Yes.

Mr. Knowles: In return for the one the minister asked me. Why did the minister appoint Mr. Johnstone to do this job, and why did the minister ask him to report on this matter?

Mr. Mitchell: That is simple. If my hon. friend is ever charged with any responsibility in the life of this nation, and God forbid—

Mr. Knowles: Answer the question.

Mr. Mitchell: I will come to the question. During the war I appointed hundreds of conciliators to look into disputes for me—hundreds of them. And my hon. friend must remember that those were difficult days.

Mr. Knowles: This was just before an election.

Mr. Mitchell: My C.C.F. friends laugh. They laughed in 1939 when they said: Goods but not men; cash on the barrelhead.

In those difficult days I had these problems—and I suggest they were vast problems. I appointed the commissioner, he made his report to me, and I had to make the decision.

I want to say to the hon. member for Winnipeg North Centre (Mr. Knowles) that I am just as sympathetic toward these people as he is. Let that be clearly understood. It is not a question of sympathy; it is a question of deciding whether you can do anything. May I give a lesson to my hon. friends in this house, whether they are on this side or on the other side, by saying that I am a great believer in the contributory form of pension, whether it be old age, health insurance or anything else. When you pay into something you have a right to say how that money shall be spent. I think the trade unions and the railroad industry of this country followed the right procedure when they established pension plans on a contributory basis, and where committees were set up on which were represented the employers and the employees to decide on matters of policy. My hon.

friend may not agree, but I would rather take the opinion of the hon. member for Edmonton East (Mr. Macdonald).

Mr. Knowles: He did not know what he was talking about.

Mr. Mitchell: I know my hon. friend is so clever. This world is full of clever people who have got it into such a mix-up that we do not know which way they are going.

Mr. Knowles: Who is in power in this country?

Mr. Mitchell: I am not casting any reflections upon my hon. friends.

Mr. Fair: You are doing all right.

Mr. Mitchell: I think it is the simple things that govern the life and destiny of a nation, but there are some people in this country and in other countries—I have said this before—who feel that, if they can make a thing so complicated that they cannot understand it themselves, then the other fellow should understand it. I have never taken that view. We hear a lot about the law of supply and demand, choose your own weapons and so on.

Mr. Knowles: Don't forget the canopy of heaven.

Mr. Mitchell: My hon. friend, who is a clergyman, should know something about the canopy of heaven.

Mr. Knowles: I want these people to get some justice before they get there.

Mr. Mitchell: I did not interrupt the hon. member when he was speaking.

Mr. MacInnis: Wait until you see *Hansard* tomorrow.

Mr. Knowles: The minister would not have a speech if we did not interrupt.

Mr. Mitchell: This afternoon the hon. member said that I had said something, but I have not the faintest recollection of it. When two men talk together there is such a thing as confidence between them. I have not the faintest recollection of having said that to my hon. friend. I remember last year he raised the question of my integrity in connection with a file that I had permitted him to read in my office.

Mr. Knowles: On a question of privilege, I accept the minister's challenge and before this day is over I shall bring down *Hansard* to show that he said what I said he said.

Mr. Mitchell: The hon. member said it this afternoon.

Mr. Knowles: The minister is accusing me of saying that he said something when he has no recollection of having said it. I referred to something that was said on the floor of this house and which appeared in *Hansard*.

Mr. Mitchell: I am sorry, I will take the hon. member's word for it for what it is worth. This problem strikes at the very roots of contractual obligations as we understand them. I have a vivid recollection as a boy, in Hamilton, of the 1919 strike. I could name the actors in that great labour drama. I think the mistake in Winnipeg was that they took the wrong advice. When you make a contract, it is a contract; when you break it, there is no longer a contract. You have to renegotiate just as they had to do in 1926 after the general strike in Great Britain.

I am sincere when I say that if by following the advice of my hon. friend we could give, not justice but a measure of support to these men, I would certainly go along with him. Do not accuse me of supporting big industry or monopoly capitalism, whatever that might mean, and all that sort of thing, when I say that this is not our money, but that it belongs to somebody else. As was stated by the hon. member for Inverness-Richmond (Mr. Carroll), if a royal commission or some other person should make a recommendation, this House of Commons has no power to carry it out. As I have said before, it is far better to tell people the blunt truth as you understand it even though it may not be very popular.

I believe quite sincerely that the setting up of a royal commission would be nothing else but window-dressing. It could not do anything for the people concerned. The hon. member for Moose Jaw (Mr. Thatcher) said something about the right to strike—I do not know where he read that; so did the hon. member for Bow River (Mr. Johnston). That is not the point. The point is that there was a breach of contract. This money belongs to somebody else because it was a noncontributory system. While the powers of parliament are great, there is a limit to those powers.

Mr. Knowles: To whom did that money belong?

Mr. Mitchell: It did not belong to my hon. friend.

Mr. Knowles: To whom did it belong?

Mr. Mitchell: That is a matter of opinion. The hon. member has been going around in circles.

Mr. Knowles: Johnstone says that it belonged to the men.

Mr. Mitchell: Who cares about Johnstone?

Mr. MacInnis: The minister did at one time because he appointed him.

Mr. Mitchell: I am reminded of the time when I acted as chairman of a conciliation board in the city of Quebec. I was probably the first trade unionist in the history of the British commonwealth who had been appointed the chairman of a conciliation board and I know whereof I speak.

Mr. MacInnis: That does not prove anything.

Mr. Mitchell: Just a minute. I remember my good-looking friend when he was in the city of Montreal many years ago with his nice black hair and all that sort of thing.

Mr. MacInnis: I still have the hair.

Mr. Mitchell: The hon. member for Winnipeg North Centre reminds me of one witness who appeared before that conciliation board. He talked for an hour and a half and when he left the room I said to one of the commissioners, "I wish you would look through the window." He said, "What for, Humphrey?" I said, "I want you to see if the street railway in this town is running around in circles." He said, "Why do you say that?" I said, "That last witness, the superintendent of the street railway, certainly is."

As I said, it is far better to be frank. These men should be told that, notwithstanding the report of any commission or commissioners, this parliament or this government cannot do for them what my hon. friend wants to have done.

Mr. Knowles: In other words, the Canadian Pacific is above the law?

Mr. Mitchell: Above the law? That is just sloppy talk. I believe that you are rendering a disservice to these men by seeking to have such a procedure adopted when, in my judgment, the matter should be handled by the men's organizations rather than by some politician who never negotiated an agreement in his life. I think that the correct approach is for the men's organizations to go to this particular railway company and submit their case to them, as they did for a good many years before I was even born. The discussion on the floor of the House of Commons—I am not talking of the basic law—of the day-to-day negotiation of industrial relations renders no service to the men themselves, renders no service to the employers, and certainly does not render any service to the Dominion of Canada.

Mr. J. W. Noseworthy (York South): From 1942 to 1945, Mr. Speaker, I had the pleasure of listening to various debates on this question. I am amazed to find a minister of labour taking the position that the Minister of Labour (Mr. Mitchell) has taken this afternoon, particularly a minister who over the years has prided himself on carrying his trade union card and being so closely identified with trade unions, and also in view of the efforts that trade unionists belonging to the railway trades have themselves made.

There are one or two statements made by the minister to which I want to call attention. First of all he charges that those who are pressing this matter today are simply kidding these poor men who suffered an injustice thirty years ago. I submit that, by the same process of reasoning, if the minister is right, then he was also kidding these men when he appointed an officer of his department for the purpose of finding out whether a royal commission was necessary to investigate the matter. I do not see how the minister can escape that conclusion. Of course that officer was appointed just prior to an election, but that is no excuse. I submit that the minister cannot escape the conclusion that, if those who are waging this fight today are kidding these people, the minister also was kidding them, and he must have known he was kidding them.

The minister laid great stress on the fact that this is somebody else's money. The hon. member for Winnipeg North Centre (Mr. Knowles) merely tried to show that the money actually belonged to the employees by reason of their years of service, and was to some extent compensation over those years for that service. There is another point I wish to make. If people are going to talk about C.P.R. money being somebody else's money, I want to place on the record what this parliament and other parliaments have given to the C.P.R. in the past. I quote from the Canada Year Book, 1942, which brings the figures up to December 31, 1940. In terms of acres of land, up until December 31, 1940, according to pages 587 and 588 of the Canada Year Book, the dominion government granted the C.P.R. 26,109,043 acres of land. The provinces of Canada gave to the C.P.R. 10,847,333 acres, or a total of 36,956,376 acres. Incidentally, that is nearly 30 million acres more than was given over the years to what is now the government-owned railway, the Canadian National system.

In addition to that, the government gave cash subsidies to the C.P.R. up to December 31, 1940, of $99,860,984. The provinces gave $14,587,592. Various municipalities gave $4,610,157, making a grand total of $119,058,733, or about $31 million more in cash subsidies than was given to the publicly-owned system. Considering the amount of money that has been given to the C.P.R., it is difficult to understand how the minister can defend his position and defend the C.P.R.

The minister made one other statement, which apparently is a new argument, that contracts had been broken in the old strike,

and that the trade union movement had taken the correct measures to try to rectify the situation. In reply I say that the trade union movement and those former employees of the C.P.R. are entitled to some help from parliament. I urge that members of the house support the motion notwithstanding the position taken by the Minister of Labour.

Mr. Paul E. Cote (Verdun-La Salle): I do not intend to be very long, Mr. Speaker. I should like particularly to answer a few of the points that have been raised by hon. members of the party of the mover of the resolution. Before I do so I think it would be appropriate to review briefly events of some importance which have taken place ever since this subject has been under consideration, either directly or indirectly, by the federal Department of Labour.

The resolution has been inspired by reason of the difficulties which arose out of the Winnipeg strike of 1918 and 1919 in which employees of the Canadian Pacific Railway were involved. A general strike started about the beginning of May, 1919, and lasted for about a month and a half. After it was ended most of the C.P.R. employees were rehired by the company as new employees, and that is the crux of the question.

As a matter of record I may say that not more than a month after the end of the strike the Manitoba government saw fit to set up a royal commission, which of course was within the jurisdiction and responsibility of that government. That royal commission commenced sitting in July, 1919, and held its last sitting on September 10 of that year, after having heard a number of witnesses and conducted independent inquiries into several activities related to the strike. The final report was made to the lieutenant governor in council on November 6, 1919.

The question raised in the resolution now under consideration was allowed to pass, without action being taken on the grievances of those C.P.R. employees in regard to the loss of pension rights, until after January 1, 1937. At that time a new pension plan for C.P.R. employees came into operation, based upon contributions by both labour and management. It was after the new plan had been considered by a joint council of representatives of the company and the employees that the brotherhoods realized the implications of this new plan as against those employees who had taken part in the 1919 strike and who had been rehired after reaching the age of forty.

This matter was dealt with in consultations between the brotherhoods and the C.P.R. for close to two years after the new pension scheme came into force on January 1, 1937. That was the right way to handle this matter, as the minister mentioned in his short address. This is a matter for negotiation between labour and management. In any case, this negotiation procedure went on for practically two years, from 1937 to 1939, but did not bring about the concrete results for which the C.P.R. employees were looking. In 1944, twenty-five years after the end of the strike, during which period of time nothing had been done through the usual channels of collective bargaining except during 1937 and 1938, the matter was brought to the attention of the house. I give credit to the hon. member for Winnipeg North Centre (Mr. Knowles) for having raised the question here. I should like all hon. members and the country to realize that the government has been most sympathetic to the case of those my hon. friend had in mind when he raised this question in 1944; and I shall attempt to show that in the course of events which followed the Department of Labour and the minister did their utmost within the bounds of their jurisdiction to impress upon the company that certain wrongs should be redressed.

Mr. Johnston: Was that why they set up the Johnstone commission?

Mr. Cote (Verdun-La Salle): My hon. friend will note that the setting up of the Johnstone inquiry at least provided ground for further negotiation with the company; and if it had been at all possible to reach a satisfactory conclusion through bargaining, the facts brought out in the Johnstone report certainly would have contributed to that agreement. If that inquiry had not been directed by the minister this question would have been considered closed as of 1945. It was the hope that, by having that inquiry conducted and then sending a copy of the report to the Canadian Pacific Railway Company, it would be possible to find some sort of compromise, some sort of agreement; and communications were exchanged between the company and the federal Department of Labour over a period of many months.

Mr. Johnston: What are you going to do with it now, since it did not support the opinion of the government?

Mr. Cote (Verdun-La Salle): If my hon. friend will allow me to proceed I shall be glad to give my views on what would be the advantage or otherwise of setting up a royal commission.

It was in 1944, I said, that the hon. member for Winnipeg North Centre brought up the matter while the house was discussing the labour angle of the war appropriation bill. At that time the basic argument he presented was that since other important bodies

such as our own government, the provincial government, the city of Winnipeg and the Canadian National Railways had solved a similar problem to the advantage of the employees concerned, there was no reason why the C.P.R. should not fall into line and abide by this precedent, if I may call it that, which had been set by the others concerned. What was the answer of the minister? Let me quote what he had to say on that occasion. As a matter of fact he did not undertake to do anything more than he and his department have been doing since 1944. Here is what he said, as it appears at page 2508 of *Hansard* for May 1, 1944:

> I shall be very glad to do whatever lies within the power of my department to bring to the attention of the railway concerned the observations made by my hon. friends this afternoon.

Other hon. members had given their views on the matter, including the hon. member for Winnipeg South Centre and the hon. member for Fort William. This reply by the minister clearly indicated that the ground on which the minister might act was the humanitarian ground. Nothing was said in one way or another which would permit the inference to be drawn that the minister committed himself to set up a royal commission, or that he committed himself to force the hand of the Canadian Pacific Railway if any favourable conclusion was reached which might be used in that way.

After that what happened? On May 19, 1944, negotiations were initiated with the company. My hon. friend has seen the file, which I may say is one of the thickest in the industrial relations branch of the department. On that date a communication was addressed to Mr. W. M. Neal, vice-president of the C.P.R.; and thereafter the minister took it upon himself to suggest to the company that a meeting should be arranged to be attended by representatives of the brotherhood of railway and steamship clerks, the brotherhood of express employees, the brotherhood of railway trainmen and another organization known as the Canadian merchant service guild, which had made representations. It was suggested that these people should meet with the responsible railway officials under the auspices of the Minister of Labour, and try to thresh out this whole matter and find some satisfactory basis of agreement.

The meeting took place on February 19, 1945, and the labour bodies I have mentioned were represented at it. It lasted a good length of time but was not fruitful in results. This was the first concrete attempt of the Minister of Labour (Mr. Mitchell) as conciliator in this important matter. On April 24, 1945, the principle of an inquiry by one of the officers of our industrial relations branch was agreed upon, and instructions were forwarded to Mr. H. S. Johnstone who was at that time stationed in Winnipeg.

Mr. Green: Where is he now?

Mr. Cote (Verdun-La Salle): He is at the head office here in Ottawa.

Mr. Knowles: After what the minister said about him today, we wondered where he was.

Mr. Cote (Verdun-La Salle): The instructions were precise and contained no restriction at all. Having regard to the high praise which my hon. friend and his colleagues have accorded Mr. Johnstone and the extensive factual report he made, one will realize that what the minister had in mind in instructing Mr. Johnstone was the obtaining of all the pertinent facts of the situation in order that he might be in a position to decide whether or not any useful and legal action could be taken here. This inquiry went on for a certain length of time. It was only on December 7 of the same year that the report was made to the minister. Shortly after receipt of this report, the first action of the minister was to send a copy of it to the Canadian Pacific Railway. My hon. friend will recall, as will some labour unions, having voiced a certain complaint because of not having received a copy of that report when one had been sent to the company. The answer of the minister was that in the particular circumstances of this case the negotiations had to go on with the company, and that this fact-finding report could serve some purpose with the company. As to the unions and as to my hon. friends, they were fully aware of all the circumstances discussed in the report. The idea behind this inquiry and behind the sending of the copy of the report to the company was in order to provide another ground for discussion and negotiation and possibly hope for a satisfactory solution. As a matter of fact, the report was taken under advisement by the company for several months. During that time communications were exchanged between the company and the department. On May 26, 1946, the company made known its views on the Johnstone report.

Mr. Knowles: Will the hon. member permit a question with regard to a matter of fact?

Mr. Cote (Verdun-La Salle): Certainly.

Mr. Knowles: Can the parliamentary assistant say how many communications dealing with the substance of the argument were exchanged between the Department of Labour and the company during that period from December, 1945, until May, 1946?

Mr. Cote (Verdun-La Salle): I could not say.

Mr. Knowles: I think there was only one.

Mr. Cote (Verdun-La Salle): The only thing my recollection helps me to say is that the company and the Department of Labour kept in contact with each other during that interval. Exactly what the underlying purpose of the communications was, except that they were related directly to the report of Mr. Johnstone, is something that I could not say. I have not them here.

Mr. Knowles: Only one exchange during that period was tabled in the house.

Mr. Cote (Verdun-La Salle): I could not answer my hon. friend's question now, but I shall be pleased to give him precise information if he wishes to have it. But the point of fact is that this report, in the opinion of the department, is the best possible ground that could have been supplied, under the circumstances, to resume deliberations and negotiations looking toward a possible settlement of the dispute.

If I may, I should like to quote a word or two from the answer to the Johnstone report received from the C.P.R. company. This letter was tabled. My hon. friend is fully aware of the purport of that report. If, in quoting from this C.P.R. answer, I do not take time to go over the Johnstone report itself, the reason is that basically this is a problem of negotiating with a company that is on extremely solid ground in its attitude until such time as the word "voluntarily" contained in pension rule No. 13 has been cleared by the proper authorities; and by that I mean the courts of justice, not a body such as the House of Commons. In view of the nature of the pension scheme, which was a noncontributory one until that time, the C.P.R. company was absolutely free, in a free country like this, to give an honest interpretation to pension rule No. 13, and more particularly to the word "voluntarily", which provides that any employee who has voluntarily left the employ of the company at a time when his services are required shall be disqualified and barred from any rights deriving from the pension fund.

The company is absolutely on sure ground, I would say, because of that rule. It is with the company that one must conduct his negotiations or his bargaining if he wishes to get any satisfactory result. The answer by Mr. W. Manson, vice-president of personnel of the Canadian Pacific Railway, is dated May 26, 1946. It is relatively brief. I will not quote it *in extenso* but I wish to point out these particular references in a specific way. The first one reads as follows:

> In the report of Mr. Johnstone, accent has been placed upon the difficulty of determining whether particular employees were or were not strikers and whether they were or were not justified, as a result of intimidation or other causes, in remaining away from work. The company gave the employees concerned every opportunity at that time and in subsequent years to establish that their absence from work was justified and that they did not participate in the strike. In cases where this was established no pension disabilities were suffered. It is difficult to see how a royal commission, investigating this matter after so many years have elapsed, could properly be expected to develop all of the facts in regard to which most, if not all, of the evidence must necessarily be lacking.

And the following paragraph:

> Quite apart from the foregoing, the appointment of a royal commission in the circumstances would imply the assertion of an intention on the part of the government to assume absolute and detailed control of the pension plan of private corporations, and of every detail of their execution. I hesitate to believe that the government accepts this as a normal part of its functions.

In giving these quotations I do not wish to be taken as the spokesman of the Canadian Pacific Railway. It is not my intention, and it has not been the intention of the department, to do anything but try to find some way to effect some redress which may seem to be necessary in that particular situation. If I have quoted these sentences from Mr. Manson's report it was to show what the department was up against throughout these negotiations with the company from 1944 down to today.

The hon. member for Vancouver East (Mr. MacInnis) replied to the arguments of the hon. member for Edmonton East (Mr. Macdonald) in a very clever way. He said: If the department's objections to the initiating of proceedings of a royal commission lie exclusively or mainly in the fact that the department does not see how the findings in the report could be enforced or executed in some way, what about the royal commission on prices? Speaking for myself, I say that when the government authorized the setting up of a royal commission on prices it did so on the ground that throughout the war years, and after the war in a lesser way, the government assumed a certain responsibility to try to contribute to correcting a situation which was the source of complaint across the country. That was different. In this particular case we are dealing with property and civil rights. We are dealing with a pension fund which was set up by a company without any participation from the employees. The company was entirely responsible financially for the administration of that fund. There was no joint council formed of employees on the one side and the representatives of management on the other. The company was the absolute owner and ruler of this pension fund.

Mr. Knowles: Will the hon. member permit a question? Is he not aware of the fact that the authority for railway pension funds is to be found in the Railway Act.

Mr. Cote (Verdun-La Salle): Section 122.

Mr. Knowles: Yes.

Mr. Cote (Verdun-La Salle): I have the section here. Section 122 of the Railway Act gives full discretion to the directors of the railway company to set up a pension scheme. My hon. friend found it more appropriate to drop his bill amending the Railway Act, which he introduced two years ago, and submit an amendment to the then draft labour bill which was before parliament, and which was passed as the Industrial Relations and Disputes Investigation Act. The amendment which my hon. friend sponsored makes it an unfair labour practice to all intents and purposes in all fields of jurisdiction, which come directly under the federal government, to jeopardize the acquired rights to a pension fund of an employee who is affected by a stoppage of work either through a lock-out or through a strike, when these stoppages of work are permissible under the act; that is, when all the negotiation procedures have been complied with. The placing on the statute books of that type of protection for employees is more far-reaching than it would have been had it been done in the form of an amendment to the Railway Act. That is why my hon. friend was better advised to do it in the way in which he finally did it.

There are a few questions to which I should like to direct my attention for a few moments. I may not give a conclusive answer to them, but I cannot help picking out a few of them and giving my views on them.

The hon. member for Winnipeg North Centre (Mr. Knowles) said that the Department of Justice should not be a court of law. In this particular instance I am amazed that the brotherhoods have waited such a long time, from 1919 to 1937, without challenging in the courts the interpretations which the Canadian Pacific Railway gave to rule 13 of the pension fund. In my opinion, the Johnstone report has brought some facts to light. In his participation in various debates in this house the hon. member has referred to several cases where I think a very good case could have been made before the courts if the absence from work was not a voluntary one on account of special circumstances during that time. If that were true, then I think the employee involved in that particular case would have had a good case before any court of justice to have rule 13 applied to himself in a favourable way. In matters such as this, it is not for the federal parliament to interpret the pension rule.

Some hon. members have said that some men had very good cases for the restoration of their pension rights. I am inclined to agree with that. I am inclined to believe that a good many may not have availed themselves of the opportunity, which the company, through the vice-president, Mr. Manson, mentioned in the report from which I have quoted. In the report it is plain that the company did not refuse to look into the matter of any particular case which was brought to its attention.

Mr. Knowles: How many of these were rectified?

Mr. Cote (Verdun-La Salle): I could not say.

Mr. Knowles: In his report Mr. Johnstone says that the company documented a great many of them but all were rejected.

Mr. Cote (Verdun-La Salle): I could not say how many were accepted or rejected; but unless my hon. friend challenges the statement of the Canadian Pacific Railway Company and says that no opportunity was given, or that no hearing was granted in a particular case, I have to take that statement. Even if it happened that one hundred per cent of the cases were turned down, and on this I have no data, that would be only an additional reason for the employees to go to the courts. If they were not satisfied with the attitude taken by the company, based on the special interpretation given to pension rule No. 13, that course would be open to them.

If I may return the compliment to the hon. member, and ask him a question, I would ask if there has been a single case of this kind presented in some way or another before a competent court of justice in Manitoba or in any other province. I do not know, but I do not think a single case has gone to the courts.

The question has been raised by the hon. member for York South (Mr. Noseworthy) as to the ownership of the pension fund. I believe the hon. member for Moose Jaw (Mr. Thatcher) raised a similar point. The hon. member for Winnipeg North Centre (Mr. Knowles) during his observations referred to the attitude taken by the company, when on occasions they have expressed a feeling of moral obligation, and have indicated that if the financial position of the company warranted it, or improved to a reasonable extent, they might try to bring about a remedy.

Nothing has been said to show conclusively this afternoon that there was legal ownership, by the employees, of the pension fund of the Canadian Pacific Railway as it existed before 1937. There may have been a moral obligation on the part of the company in at

least a few exceptional cases, and where there was good faith on the part of the employee. This was the point I mentioned a few moments ago in support of my contention that this would have given rise at least to an opportunity for presentation before a court of justice for the purpose of obtaining an interpretation.

Mr. Knowles: Courts deal with legal obligations, not moral obligations. If I may interrupt, may I say that that is exactly the point, namely that it was a moral claim the men felt they had; and, because they realized they could not establish a legal claim, no case was taken to court.

Mr. Cote (Verdun-La Salle): It was a moral obligation on the part of the railway, in view of the fact that the interpretation they gave to pension rule 13 did not bind them legally. That was their viewpoint. If on the other hand the employees thought that the interpretation of the company was wrong, they could claim the legal right to their share of the pension fund, and could apply to the courts of justice to have their interpretation of the rule prevail over that of the company.

The hon. member for York South has said that throughout the transactions, since 1944, and more particularly when he decided to send a special investigator in the person of Mr. Johnstone to Winnipeg, the minister was kidding. As I have tried to show during my observations, the Johnstone report has provided a new ground from which to start fresh negotiations with the company. This inquiry has provided a new picture of the situation, and has allowed the department to re-establish its contact with the company and thus to begin negotiations anew. There can be no doubt that this was done in the best of good faith, and for the best of purposes.

I believe I have set out a fair outline of what the stand has been by the Department of Labour throughout the past five years, since this matter has been brought to the fore. The department has been trying to act in the capacity of negotiator between the company and the employees; at the same time it has never admitted any direct responsibility, other than that of its deep interest in and sympathy with the fate and the distress of a certain number of men.

In 1904 when the pension fund was set up by the company—and this is the focal point of the whole situation, from a legal standpoint—it was done of its own free will, and without any interference from any governmental group or union representatives. This was done through the wish of the company to better the welfare of its employees—at least it was so taken at the time. The company remained entirely responsible for it.

It seems to me the employees might have been well advised to decide before 1937 to show a direct interest in the management of the fund. I do not know whether they did or not, but the fact is that they did not have any link whatsoever with the administration of the fund until 1937, when the new plan was set up. The company was free to set up the scheme and to manage it as it chose, under its own rules and formulae. This is the situation which confronted the employees at the time of the 1919 strike.

After thirty years there is nothing the Department of Labour can do beyond its own jurisdictional bounds. The department has done its utmost, and I suggest this once more illustrates its deep interest in matters of concern to labour. Since 1944 we have accumulated a file which challenges in physical content any other file in our department. At least we have done that. The department claims that the only corrective measure which can be obtained would be through the procedure of negotiations. We have exhausted all those procedures.

Now we are faced with the suggestion set out in the resolution that a royal commission be set up. It is true that the recommendation of the Johnstone report is to that effect, and the hon. member has quoted the concluding paragraph in the report which, it seems to me, indicates clearly that the industrial relations officer, Mr. Johnstone, thought there was sufficient information of importance and concern which he had gathered to justify a more complete inquiry. It was his suggestion that a royal commission be set up, and he was speaking of course as an industrial relations officer.

It is the responsibility of the Minister of Labour (Mr. Mitchell) and the government to decide whether a royal commission should be resorted to to settle a problem such as this, which is not within the competence and jurisdiction of this government or parliament. The responsibility of government obliges it to take an attitude one way or another; and the attitude that has been taken is that the setting up of a royal commission would serve no useful purpose whatsoever.

Now that all possible grounds of negotiation with the company have been covered, what would be the use of permitting this inquiry to prolong itself over months, perhaps years? What would be the purpose of spending public money to an unknown extent?—because, in the past, some royal commissions have been quite costly. What would be the purpose in doing all this unless there was some way of carrying out the findings of such a commission to relieve a situation which affects these employees who lost their pension rights with the Canadian Pacific in 1919?

That is the position taken by the government. The Department of Labour wishes labour to know that it has done everything humanly possible to co-operate in this matter and to attempt to arrive at a satisfactory solution. The department cannot go any further without interfering with the jurisdiction of somebody else. If we set up a royal commission and tried to implement its recommendations there is no doubt that in one way or another—my hon. friends know what I am referring to—the matter would come before the courts and it is as clear as crystal that it would be declared ultra vires. We have no right to go beyond what we have done already in an attempt to bring about a satisfactory conclusion.

I conclude by reminding my hon. friend that his interest in this matter since 1944 has brought some results. He has achieved one of his purposes by having placed on the statute books labour legislation which would prevent any such action being taken in the future as a result of a strike or lock-out. He is now asking us to interfere with something that happened thirty years ago, to adopt a procedure which would force the company to take retroactive action back that far. He is asking us to attempt to remedy a situation which is essentially a matter of collective bargaining.

The Minister of Labour (Mr. Mitchell) mentioned this afternoon that he could not go so far as to set up a royal commission because jurisdiction does not lie with the federal government. Therefore, I think the hon. member would be wise not to go further with this matter. His resolution has served his purpose in bringing about a useful discussion and has given the government an opportunity to voice its views on the matter. The hon. member should not insist on this matter going any further. It has become insoluble because action could not be forced on the company.

Mr. J. W. Murphy (Lambton West): Mr. Speaker, I intend to be brief in speaking to this particular resolution. I think a good many hon. members believe that the government did recognize certain of the rights of these employees, because it set up an inquiry. If those rights had not been recognized I think all members will agree that this or any other government would not have set up any such inquiry. I am quite sure that all hon. members are anxious that justice be done to these men. However, we must remember that these men are members of one of the strongest and best organized unions in this country. If effective steps are to be taken there is a recognized procedure by which the union can assert the rights of its members. Unless the government is prepared to present its views to the company and urge them to follow a particular course, the present resolution will produce no practical results.

Mr. William Bryce (Selkirk): Mr. Speaker, if I were still representing exactly the same constituency that I represented in two previous parliaments I would not have to get up and say anything today, but at this time I am representing many railroaders. I want to take only a couple of minutes to endorse what the hon. member for Winnipeg North Centre (Mr. Knowles), the hon. member for Moose Jaw (Mr. Thatcher) and the hon. member for York South (Mr. Noseworthy) have said. I want also to assure the house that I am wholeheartedly behind those members in the request they made.

I listened attentively to the parliamentary assistant to the Minister of Labour (Mr. Cote) when he put forth a wonderful argument against this resolution. I congratulate him on making a good defence of a poor case. I would have no hesitation in hiring him if I thought I was on the losing side.

Mr. Sinclair: What about June 27? Were you on the winning side then?

Mr. Knowles: The hon. member certainly was in Selkirk.

Mr. Bryce: It has been said in argument that the Canadian Pacific has no obligation toward these men. I have been a machinist and for part of my time I worked in railway shops. When you hire with the Canadian Pacific, the Canadian National or any other company which has a pension scheme, that is taken into consideration along with the wages you are to receive. You consider that you are providing for a rainy day, that you are preparing for the time when you get to the end of the road. I think these men were quite justified in expecting that. The money really belonged to them.

The Department of Labour felt some obligation in the matter because they appointed Mr. Johnstone to investigate. Several hon. gentlemen have referred to the results of that inquiry. I did not like the Minister of Labour (Mr. Mitchell) accusing the hon. member for Winnipeg North Centre of kidding the people. I do not think there is an hon. member of this house who comes down here to kid the people. If we have any such intentions, we should not be here.

The minister may disagree with me or any other member, but I think he should credit us with being sincere. I want you to believe that the hon. member for Winnipeg North Centre is sincere in bringing up this matter. Men in my constituency have come to me to ask that

I support this resolution in an effort to get some help for them. Many of these men are older than I am but they worked in the railway shops when I was there. They are now getting only a small pension. If their pension time dated back to 1910 or 1911 they would have enough to live on. Many of them cannot get an old age pension to augment what they are getting now.

I intend to be brief and I shall say no more than that I support this motion wholeheartedly. I hope the government will not turn it down but will do something about it.

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

Mr. Knowles: Just before the question is put—

Mr. Speaker: Order. If the hon. member for Winnipeg North Centre speaks now he will close the debate.

Mr. Stanley Knowles (Winnipeg North Centre): I will be very brief in closing the debate on what I regard as an extremely important matter. I noted that it was still put forth as an argument a good many times, especially by the Minister of Labour (Mr. Mitchell), that the money involved is someone else's money. As I tried to indicate by means of an interruption in the minister's speech, I agree that it is someone else's money. In fact I agree with Mr. Johnstone that morally the money belongs to the men.

May I point out that right now the Canadian Pacific Railway Company is having the experience of paying out money that is in the same category. Reference has been made repeatedly to the new contributory pension plan that came into effect on January 1, 1937. A man who retired from the C.P.R. in 1948, and is today on pension, is receiving a pension made up in part of what he has earned out of the contributory fund since January 1, 1937, and in part of his stake in the non-contributory funds prior to January 1, 1937. We are simply asking that the recognition that there is money there in the general funds of the C.P.R. that belonged to certain men be extended to cover these other men.

Another argument put forward forcibly by the parliamentary assistant to the Minister of Labour (Mr. Cote) was to quote considerably rule 13, from the old rules, and contend that there was a voluntary staying away from work on the part of these men. Of course whether or not it was voluntary is one of the matters in dispute. That is one of the reasons a royal commission is needed. In his report Mr. Johnstone says that was one of the matters that had to be considered by the Canadian National Railways, and they decided that, in view of all the circumstances surrounding the Winnipeg general strike, they could not make a blanket decision that all these men stayed away on a voluntary basis. Mr. Johnstone says that some of these men, for example, reported for work during the day and found that the place had been closed because of difficulties and disturbances earlier in the morning. The position that the hon. member for Verdun-La Salle (Mr. Cote) took is challenged by the report of Mr. Johnstone, which again is a reason why the whole question should be gone into more thoroughly, more objectively, and more judicially, as we feel it can be done by a royal commission.

I listened with interest to the recital which the parliamentary assistant gave of the things the Department of Labour has done, but it seemed to me that at times he was putting a very good front on it. As I recall the months between December, 1945, and May, 1946, that is the time between the date of the Johnstone report and the reply of the C.P.R., all that is shown in the correspondence that has been tabled in the house is that the Minister of Labour shipped the Johnstone report to the C.P.R., and then there were several letters asking the C.P.R. to send their reply because it was being demanded in the house. Finally, in May, the report came back, and the C.P.R. reply with it.

Despite the recital that the hon. member has given this afternoon, I am not satisfied that the government has done what he says, namely, its utmost. He can say that the government has done all the things he has indicated, but until the government is prepared to set up a royal commission to go into these matters the government cannot say that it has done its utmost. Therefore, Mr. Speaker, in the name of justice for these citizens of Canada who have suffered this injustice so long, I plead with the house to call upon the government to give the consideration asked for in the resolution. Now that the debate on the matter is over I hope that the house will approve the resolution.

The house divided on the motion (Mr. Knowles), which was negatived on the following division:

YEAS

Messrs:

Balcer	Fraser
Beyerstein	Fulton
Black (Cumberland)	Gagnon
Blackmore	Gibson (Comox-Alberni)
Browne (St. John's West)	Green
Bryce	Hansell
Catherwood	Harkness
Charlton	Herridge
Coldwell	Higgins
Coyle	Johnston
Drew	Jones
Fair	Knight

Knowles
Low
MacInnis
Noseworthy
Pearkes
Quelch
Shaw
Stewart (Winnipeg North)
Thatcher
Thomas
Tustin
White (Hastings-Peterborough)
Wright
Wylie—38.

NAYS

Messrs:

Abbott
Applewhaite
Ashbourne
Bater
Beaudoin
Belzile
Bennett
Bertrand
Black (Chateauguay-Huntingdon-Laprairie)
Blue
Boucher
Bourget
Bruneau
Byrne
Cameron
Campney
Carroll
Carter
Cavers
Claxton
Cloutier
Corry
Cote (Verdun-LaSalle)
Cruickshank
Dechene
Decore
Dewar
Dickey
Dion
Elderkin
Eyre
Ferrie
Fournier (Hull)
Fulford
Garson
Gauthier (Sudbury)
George
Goode
Gosselin
Gour (Russell)
Gregg
Harris (Grey-Bruce)
Harrison
Healy
Hellyer
Helme
Henderson
Hetland
Howe
Huffman
Hunter
James
Jeffery
Kent
Kickham
Kirk (Antigonish-Guysborough)
Kirk (Digby-Yarmouth)
Laing
Langlois (Gaspé)
Larson
Leger
Lesage
Macdonald (Edmonton East)
MacDougall
MacLean (Cape Breton North and Victoria)
MacNaught
McCulloch
McCusker
McDonald (Parry Sound-Muskoka)
McIlraith
McLean (Huron-Perth)
McLure
McWilliam
Major
Matthews
Mayhew
Mitchell
Murray (Oxford)
Nixon
Picard
Proudfoot
Prudham
Richard (Gloucester)
Richard (Ottawa East)
Riley
Robertson
Rooney
St. Laurent
Simmons
Sinclair
Sinnott
Smith (Queens-Shelburne)
Smith (Moose Mountain)
Stewart (Yorkton)
Stick
Stuart (Charlotte)
Studer
Valois
Viau
Warren
Weaver
Weir
Whiteside
Winkler
Winters—105.

Mr. Martin: I was paired with the hon. member for Cape Breton South (Mr. Gillis). Had I voted, I would have voted against the motion.

Mr. Gardiner: I was paired with the hon. member for Souris (Mr. Ross). If I had voted, I would have voted against the motion.

Mr. McCubbin: I was paired with hon. member for Middlesex East (Mr. White). Had I voted, I would have voted against the motion.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

PRIVILEGE

MR. KNOWLES—REFERENCE TO REMARKS OF MR. MITCHELL IN DEBATE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. During the debate this afternoon the Minister of Labour (Mr. Mitchell) and I had an exchange which ended amicably when he accepted my word as to certain statements that I had made. However, I rose during that exchange and indicated that I was prepared to accept his challenge to bring *Hansard* down before the day was over, and show that what I had quoted him as saying was on the record. The matter had to do with my saying that in 1944 the Minister of Labour was not satisfied with representations that I brought on the floor of this house from local railway lodges, but that if he received a request from the Canadian heads of the unions involved his department would act on such a request. The minister at first denied making the statement. Later he implied that this had been said to me in confidence. Still later he accepted my word. I now wish to document my statement by pointing out that this all appears in *Hansard* of July 24, 1944. The list of local lodges to which I referred takes about a column of page 5267. Then on page 5269 the minister said:

> The hon. gentleman read a certain number of letters from local organizations.

Then he went on in his usual way to refer to them and ended up by saying:

> But if I were to get a request from the parent organization—and as my hon. friend from Cape Breton South knows probably as well as I do, they always deal with their national organization in matters of this kind—I should be glad to endeavour to arrange a conference if possible between the company and the organizations concerned.

A similar statement was made by the minister a few moments later, as recorded on page 5271 of the same day. I will not take the time of the house to read his repetition of his insistence on any request coming from a parent organization, but I thought it only fair that it should be clear that the statement I attributed to the minister was not something said in confidence but a statement made on the floor of the house.

Social Security

SOCIAL SECURITY

REQUEST FOR FORMULATION OF NATIONAL PROGRAM

Mr. Angus MacInnis (Vancouver East) moved:

That, in the opinion of this house, the government should seek the co-operation of the provinces for the purpose of formulating a program of social security that will be national in scope, adequate in its provisions, and that will cover all citizens of Canada in every circumstance where the individual or the family is, for any reason, deprived of the opportunity of earning a living.

He said: Mr. Speaker, I am extremely glad to have the opportunity of moving this resolution and of expressing my views in regard to the subject matter of it. I think this is the fourth session of parliament in which I have had this, or a similar, resolution on the order paper, but because of the urgency of government business at other sessions, which eliminated private members' days, or because my resolution was too far down on the order paper to be reached, this is the first opportunity I have had of moving it in the house.

Perhaps it is well that the resolution should be moved now. We have had an election in which every party represented in this house has had a social security plank in its program, and as far as I have been able to learn through following the reports of speeches of the candidates of the various parties they too advocated a policy of social security improvement. As far as I can remember, most of the members from my own province told their constituents that if they were sent to represent the constituencies in this house they would advocate social security improvement on the floor of the House of Commons.

I have tried, Mr. Speaker, to make the resolution as short and as explicit as words could possibly make it. I do not wish to have any misunderstanding of what I am urging. Briefly the resolution asks this house to endorse a nation-wide social security program.

For convenience in debate the resolution may be divided into four parts. First, it asks the government to seek the co-operation of the provinces for the purpose of formulating a program of social security. In my opinion this is the obvious first step since social service or social security is by our constitution a provincial responsibility. However, it has been demonstrated that it is a responsibility which most of the provinces are not able to discharge.

Second, the resolution proposes that our social security program be nation-wide in scope. That is, as far as the federal government is concerned, the benefits paid and the conditions under which they are paid shall be the same in every province in Canada.

[Mr. Knowles.]

Third, that our social security program be adequate in its provision; that is, that the benefits, in the absence of any other income, shall be such as to assure a minimum but adequate standard of living.

Fourth and last, that the social security benefits should be available to every citizen of Canada who is deprived, by reasons beyond his control, of the opportunity of earning a living.

The points I have outlined are the essential requirements of a social security program. Indeed, I think they are all the essential requirements of a social security program for Canada and I believe that anything less would not be adequate. I could produce many reasons, economic and social, as to why social security measures provided by the state are becoming increasingly essential to larger and larger sections of our people. I do not believe it is necessary for me to take the time to do that. Almost everyone realizes that they arise out of economic and social development, economic and social progress, if you like, over which we have little control. But apart from these reasons there are humanitarian considerations which provide sufficient grounds for this parliament enacting such a program. As far as this house is concerned I should like to believe that the humanitarian considerations would be sufficient in themselves.

May I draw to the attention of hon. members the fact that an additional reason why we are entitled to look to the state for assistance is that when the state feels it is in need it can and does require not only the service of its citizens but their lives as well. I claim therefore that if the state can call upon a citizen in its time of need, the citizen should be able to call upon the state in his hour of need. While I refer to "the state", I do not want the house to conclude that I refer only to the federal government. It will be noted that in the resolution I ask that the federal government seek the co-operation of provincial governments for the purpose of working out a complete system of social security.

I do not propose either that everything should be centralized here in Ottawa. However, in co-operation between the dominion and the provinces, it should be made clear as to what the provinces are prepared to do and what the dominion government is prepared to do in order that among the eleven governments we would have a complete system of social security.

When the federal government of 1945 laid the green book proposals before the provincial governments, an attempt was made along the lines I am now suggesting. Failure at that time does not mean that we should

accept failure for all time to come. The proposals made in 1945 by the federal government are as valid today as they were then.

Not only that, but I am convinced that the need for social security is more pervasive among our people today than it was at that time. May I quote briefly from the proposals of the government of Canada, which are generally referred to as the green book proposals. The opening section of the government's proposals, entitled "National Problems and Objectives", outlines what the government in 1945 saw as the national problems, and the means it intended to take to solve those problems.

At page 7 of this book are found these words:

> The government has clear and definite views on how these objectives can be obtained.

The objectives were, in the main, prosperity and security for the people of Canada. It continues:

> These views may be summarized very briefly as, first, to facilitate private enterprise to produce and provide employment;
>
> Secondly, to promote—

And I would ask hon. members to notice this one carefully—

> —to promote bold action by the state in those fields in which the public interest calls for public enterprise in national development;
>
> Thirdly, to provide through public investment, productive employment for our human and physical resources when international and other conditions adversely affect employment; and,
>
> Fourthly, to provide on the basis of small regular payments against large and uncertain individual risks, for such hazards and disabilities as unemployment, sickness and old age.

I am dealing tonight only with the fourth item. I should like to read further from page 8, two short paragraphs which really state my position as well as or better than I could state it myself:

> Because Canada is a federal state these responsibilities are shared by the federal and provincial governments. This division of responsibility should not be permitted to prevent any government, or governments, in co-operation from taking effective action.

What I am asking tonight is not only that the house approve my resolution, but that it approve what was put forward by the government of 1945, and that this government take effective action as quickly as possible. May I read on:

> To devise a working co-operative arrangement to a common end, in harmony with our federal system, is the main purpose of this conference.

That is the conference which was called to discuss these proposals. It continues:

> It is with these considerations in mind, and in search of common ground for agreement, that the government presents its proposals. These proposals assume a broad federal responsibility, in co-operation with provincial governments, for establishing the general conditions and framework for high employment and income policies, and for support of national minimum standards of social services. They also assume that provincial governments should be in a financial position to discharge their responsibilities adequately.

My resolution is quite in harmony with the proposals and, I must presume, with the policies of the government of that time. Because of the size and constitution of this country, decentralization of administration to the provincial level is in my opinion not only desirable but imperative. People intimate with local conditions can make a much better job of dealing with human beings than can those who are remote. It makes a great deal of difference to the person concerned whether he is treated merely as a case with a number or whether he is treated as a human being.

I have been a trade union official or a public representative for almost the whole of the past thirty years. As such it has been my opportunity to come in contact with the boards administering the social security legislation in my own province, such as the old age pensions board and the workmen's compensation board. I am bound to say I have always found that these officials consider, with both sympathy and imagination, the problems coming before them. If they have not done a better job it is, I am satisfied, ninety-nine per cent because the law they have had to administer has not made that possible. I would not be dealing with this question realistically if I did not point out that considerable social security is provided at the present time by the dominion and the provinces. Under federal and provincial jurisdiction we have old age and blind pensions. Wholly under federal control we have unemployment insurance and family allowances—

An hon. Member: Widows' allowances.

Mr. MacInnis: That comes under the provinces. And there is certain assistance in the way of health grants. Under the provinces we have workmen's compensation, mothers' allowances, welfare legislation of various kinds and health and hospital services. However, these social security measures whether under provincial or dominion jurisdiction have developed in a haphazard way. Many of these measures have been put into operation, not so much because of the government's belief in them as because it was thought politically expedient to provide them. I submit that the time has come when we should find out what is required and see what we can do in an orderly and planned way.

There are tremendous gaps in our social security program. For example, there is no provision for sickness or invalidity. A worker who is out of a job because there is no work

is entitled to unemployment insurance, but if the same worker is out of a job because he is sick, he is not entitled to anything. Indeed if he is taken sick while drawing unemployment insurance benefits the benefits stop. Surely a person who is unemployed because of sickness is more in need of assistance than one who is just unemployed. A man in such circumstances has the additional expenses associated with illness.

Our old age pensions provide for people who have reached the age of 70 years provided they are practically destitute. But surely the person who has not reached the age of 70 years is just as much entitled to assistance if because of illness or infirmity he is unable to provide for himself? Surely these are gaps which a country such as Canada should be ready to concede ought not to be tolerated?

As a beginning of an adequate social security program I think we should lay it down that need should be the criterion for state assistance and not a particular category or class into which a person might fall. Following that, the assistance given should be such as to provide a minimum standard of health and decency. I do not know of any better words to use, and those are the words generally used by welfare organizations. We should strive to set a minimum standard below which no family income should fall.

May I point out that no country can escape the social consequences of poverty. If we do not provide an adequate family income, whether we like it or not we shall have to make provision for more police, more jails, more courts, more reformatories, more hospitals and more of all those institutions the need for which is created in large measure by poverty and the consequential family breakdown. The general opinion among people experienced in social service administration or those engaged in social welfare work is that the greatest cause of family breakdown is poverty. If we do not eliminate poverty in one way we shall have to take care of it in another. Perhaps I should quote an authority on this point. In 1943, Dr. L. C. Marsh was engaged by the government to prepare a report on social service for Canada. I have that report in my hand and I quote from page 119 as follows:

> Finally, the obvious but vital point must be made that social security payments are not money lost. The social insurances, and even some straightforward disbursements like children's allowances, are investments in morale and health, in greater family stability, and from both material and psychological viewpoints, in human productive efficiency. They demand personal and community responsibilities; but in the eyes of most of the people who are beneficiaries, give a more evident meaning to the ideas of common effort and national solidarity. It has yet to be proved that any democracy which underwrites the social minimum for its citizens is any the weaker or less wealthy for doing so.

I think we can all agree with that. I urge this house to show by its approval of this resolution that it believes that the time has arrived for the elimination of the effects of poverty, if we cannot, at this time, get down to eliminating its causes, by expanding and co-ordinating the social services of this country so that all those people who need assistance will be covered. It is possible that a social security program such as I have suggested will require amendments to our constitution. If so, those amendments should be sought without delay. But, even while we are preparing any amendments that we think necessary, we should see what we can do in co-operation with the provinces, because I am convinced that a great deal can be done without amendment of the constitution. As far as I can remember, from reading the proposals made in 1945, there was no mention of amendments being necessary for what the dominion government proposed at that time.

Other countries less wealthy than Canada are ahead of us in this regard. Perhaps I need only mention the United Kingdom and New Zealand. In the United Kingdom, despite their difficulties, all parties are agreed that their social security program is necessary and must be maintained. Following the United Kingdom election of 1945 the Labour government put a social security program into effect. The Conservative party in its election program, "The Right Road for Britain", has laid it down that the country's social security program will be not only maintained but expanded if that party assumes office after the next election. I merely point out that today people everywhere are convinced of the necessity of providing social security.

There are some people in Canada who oppose any further extension of our social services, but I do not think we should pay much attention to them because they have opposed every extension of social security in the past, and they will do so in the future. Perhaps the most comprehensive report that has ever been made on social security is what is known as the Beveridge report, prepared by Sir William Beveridge in 1942. He laid down three guiding principles for social security. The first principle reads as follows:

> . . . that any proposals for the future, while they should use to the full the experience gathered in the past, should not be restricted by consideration of sectional interests established in the obtaining of that experience. Now, when the war is abolishing landmarks of every kind, is the opportunity for using experience in a clear field. A revolutionary moment in the world's history is a time for revolutions, not for patching.

I suggest to the government that world revolution is not yet complete. It is proceeding in every country, and perhaps faster than anywhere else in the western nations where people have the opportunity of thinking, and thinking aloud. I suggest to the government that what they need now is not to put patches on our present social security but to take bold steps to build a comprehensive program such as I have suggested. The second principle laid down by Sir William Beveridge is:

> . . . that organization of social insurance should be treated as one part only of a comprehensive policy of social progress. Social insurance fully developed may provide income security; it is an attack upon want. But want is one only of five giants on the road of reconstruction and in some ways the easiest to attack. The others are disease, ignorance, squalor and idleness.

I think that if we make a frontal attack on want we will go a long way towards conquering these other giants that Sir William Beveridge mentions. The third principle reads as follows:

> . . . that social security must be achieved by co-operation between the state and the individual. The state should offer security for service and contribution. The state in organizing security should not stifle incentive, opportunity, responsibility—

I have never seen the case for the abolition of the means test put better than that. I have never been able to see the logic of insisting that a person should not be allowed to help himself. I do not want to mention specific cases tonight, but at the moment I have a case, which I am taking up with the war veterans' allowance board, where a veteran has had his allowance cut off because his wife went to work during the war at the age of sixty-five, and the income she produced, which was used for shingling their home, as they told me, was not reported to the war veterans' allowance board. Personally I do not see who could be hurt by allowing these people to add something more to their income. If they made something more than what is allowed under the income tax structure they could be taxed in the same way as other individuals.

Up to this point I have not said anything about how a social security program should be financed. I am dealing with broad principles and not with details. I do not believe that I have any illusions about how measures of this kind are paid for. They are paid for out of the national income. That in turn comes out of national production, and the national production is the product of those who work. When we provide social services of any kind we are providing material things such as food, clothing, shelter and services of one kind or another, which must be produced by those who are working.

Perhaps I could express my own ideas of how such things can be paid for by a simple illustration. It is easier to think in small numbers than in large ones because when a thing gets very large it sometimes becomes complex, and it is difficult for the ordinary person to understand it.

Let us suppose that the population of the country was composed of the three members behind me and myself. It would be a dull world, but this is just a supposition. Suppose it was composed of those four people and we were all working. We would all be producing our own keep, the others anyway, and I suppose they would see that I did. Let us suppose that they decided to pension me off because I had reached an age where my youthfulness was a thing of the past. There would be no place under the sun where my keep could come from except out of their labour.

The same is true in our national affairs; you merely have to multiply that by ten million, or whatever figure you like. The result is the same. The money is merely the measure of the goods and services provided by the rest of the community. For instance, if you keep your mother-in-law you pay for her upkeep yourself; but if she receives an old age pension the community keeps her. That is the difference; you are throwing some of your burden on the community. I say that, because there is an idea abroad that there is some mysterious source from which food, shelter and clothing can be paid for without taking it from those who produce it or have claims of ownership to it. There is no such way.

Mr. Blackmore: There is.

Mr. MacInnis: Then I shall leave my hon. friend to find it.

Mr. Blackmore: Speak from your own knowledge, not from general knowledge.

Mr. MacInnis: As a matter of fact, I am speaking from my own knowledge, the only knowledge that I can count on. General knowledge is of no value at all, because neither my hon. friend nor I have the capacity to understand all of it.

Mr. Blackmore: Your knowledge is very limited.

Mr. MacInnis: I admit that; and my admission of my lack of understanding is proof that I have taken the first step to wisdom.

Mr. Blackmore: We will teach you if you will listen.

Mr. MacInnis: My time has almost expired, Mr. Speaker, but I want the Minister of

National Health and Welfare (Mr. Martin) to note that as far as was humanly possible I refrained from using political illustrations, or quoting what anyone said to use it against him. I wanted to accomplish something by introducing this resolution, and I approached it in that spirit. If I had just wanted to get my hon. friends on either side of the house riled, as the saying is, I would have spoken in another manner and I believe I have had enough political experience to know how to do that. But I am serious in putting forward this resolution. I hope it will be discussed in the spirit it was proposed. I hope hon. members will not leave the government in doubt as to the need as they see it in their constituencies, so that something may be done this year, not in 1953.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, I am sure all hon. members appreciated the way the hon. member for Vancouver East (Mr. MacInnis) placed his resolution before us for consideration this evening. I should like to say a few words in support of the main theme of the resolution, which in my understanding is that now is the time for steps to be taken to formulate a program of social security which will be national in its scope. That is the part of the resolution that particularly appeals to me.

I think it very timely that we should consider this topic now, in this first session of the twenty-first parliament, for several reasons. The first reason is the attitude of the Canadian people toward questions of this sort. I believe Canadians generally, and certainly Canadians on the Pacific slope, desire an all-embracing program of social security. They hope the different governments throughout the country will take steps to see that such an all-embracing program is put on the statute books at the earliest possible moment. Then, too, I think the attitude of the Canadian people is that they are willing to pay for such a program. Provided that the payment is spread evenly and fairly across the country, I believe Canadians are willing to pay for such a plan.

I also believe their attitude is one of intense dislike of the means test. There is something very un-Canadian about it. Many elderly people come in to ask me about making application for old age pension. These people who have worked hard for a lifetime, who have brought up families at great sacrifice, and who while they have very little money have great natural dignity and pride, in reality are the type of people who have built this nation. Yet when they are faced with the necessity of disclosing their resources, they hesitate to do so. They are hurt by the thought that they must tell someone what assets they have, and must show that their children are not able to support them. The whole idea of a means test is repugnant to such people, and I repeat that they are the very finest citizens we have in this country.

That attitude should be well known to the government. Hon. members will even find it at page 37 of the proposals of the government of Canada at the dominion-provincial conference of 1945, in what is commonly called the green book. There we find this statement:

> The means test is generally recognized as undesirable after a certain age. It has been noted that about forty per cent of all persons of seventy years of age and over make application, satisfy the means test requirements and receive pensions. There is little doubt that a very considerable number in addition are not able entirely to support themselves, but are dependent upon their family, and refrain from applying for pensions because of the embarrassment occasioned by the means test.

I repeat, I believe the Canadian people are anxious to get rid of this means test. They would prefer to permit our senior citizens to improve their position by working, if able to do so. Not only would that be a help to the elderly people themselves; it would also be a help to the country at large, and I believe it is still generally the feeling of our people that thrift should be encouraged. So my first reason for saying that this resolution is timely is the attitude of the Canadian people.

My second reason is the attitude of the Canadian political parties. I believe every party in Canada is deeply interested in welfare measures. I do not wish to be political tonight, but if I had one criticism of the C.C.F. more than another it would be that at times they speak as though they believe they are the only Canadians in public life who are interested in the welfare of the people. That is not so. The members of all parties are vitally interested in welfare measures. If they are not interested in people they do not get elected, or if they get in once they do not stay elected. We are all deeply concerned with welfare measures. There may be some difference of opinion as to how those measures can be best enacted and put into effect, but I do not believe the hearts of the members of any one party in Canada are a bit bigger than the hearts of the members of other parties. My second reason, therefore, for my stand is the attitude of the Canadian political parties. Every party in this house is pledged up to the hilt to bring in a national social security program. I have here the advertisements of the government party, and also those of our own. The other parties are pledged in the same way.

Now that we are here, let us get busy and do something about carrying out those pledges.

My third reason for saying that this resolution is timely is that there is now a great move on in the United States in the direction of social security plans. I have here the last issue of *U.S. News and World Report*. In it I find a most interesting article entitled "Bigger and Better Pensions?" which contains this statement:

> In congress, plans are being pushed to make 1950 "social security year."

Our neighbours to the south are taking great interest in this type of plan, just as we are in Canada. In the United States within the last few days we have seen the settlement of the Ford strike on the basis that there will be pensions for the employees of the company. That really is my fourth reason for my stand this evening. I believe that pensions are coming in industry. In some cases the companies may pay the whole pension, as I believe is being done by the Ford company. In other cases they may make a partial contribution. But there is no doubt that this whole question of pensions in industry is one of the important ones to be faced by the public men on this continent at this time.

Even if pensions in industry come into effect, many Canadians will not be covered by such a plan; considerably over half could never possibly be covered by any such plan. Therefore consideration must be given by governments to ways of bringing in a plan that will cover all of the Canadian people. Furthermore, I think difficulty may arise in determining the fields to be covered by government and by industry; there is no clear-cut demarcation of what group will be covered by industry and what group will be covered by government measures. We must try to figure out what division there should be.

The article to which I referred a few moments ago ends with this paragraph:

> Decision, in favour of one system or two systems, is what is forming now.

That is, a decision between pensions in industry and government pensions.

> If liberal, but costly, private pensions paid for by industry are given to millions of workers, then, in the opinion of many officials, there will be little chance of getting employers to help pay for a more liberal government system for all. Result may be high pensions for some workers, relief lines for others.

I read that paragraph to show that this whole question is worthy of a great deal of investigation and thought. Those are four reasons advanced for the consideration of hon. members.

In my own opinion we should have in Canada a contributory pension system under which men and women would contribute as they work, employers would contribute, and the various governments would contribute. Then Canadians would be entitled to draw as of right benefits in adequate amounts when they were needed. I believe that such a plan would make it possible for us to provide pensions at sixty-five years of age, without a means test, or earlier if people are unable to work further; to provide sickness and disability benefits and health insurance; and to give extended unemployment insurance benefits. There would also have to be similar benefits for those Canadians who are unable to make contributions.

That is my idea at the moment of the way in which this problem could best be solved by Canada. I believe that is the Canadian way in which to work out a solution. But certainly at this session some steps should be taken by the government. There is no doubt at all that they should raise the ceiling on old age pensions to conform with the raise in the pension itself which was put through last spring. I do not believe there is a member in this house who would not be in favour of raising that ceiling. That is one statute that should be passed at this particular session. In addition to that, I believe consideration should be given to the broader plans for meeting this problem. I hope that the government, through the Minister of National Health and Welfare (Mr. Martin), will agree to the terms of this resolution. Then if the minister will go ahead and take whatever steps are necessary to bring about the required legislation, I think he will find general support from all sides in this chamber.

(*Translation*):

Mr. Lionel Bertrand (Terrebonne): Mr. Speaker, I have listened with great interest to the speech just delivered by the hon. member for Vancouver East (Mr. MacInnis) on the subject of social security and I am pleased to have this opportunity of taking part in the debate.

It would be, I believe, extremely important for the government to request the co-operation of the provinces in order to work out a nation-wide social security plan. It would probably take some time to apply such a plan, so that it would be better, I think, to go about it by stages, so as to gradually, year by year, bring about a permanent solution of some aspect of the social problem.

I am in favour of a social security plan as elaborate as possible, for it is my considered opinion that communism can never enter homes in which peace, joy and happiness are to be found.

I would however like to point out that I have myself placed on the order paper, under No. 7, a resolution which particularly concerns destitute invalids and cripples.

I first submitted this resolution in 1946; it was discussed and met with the approval of the house but was never adopted. Since then, the resolution has appeared in the order paper at every session but due to certain circumstances or to special legislation, it was never considered. I am confident, however, that this resolution, which I consider very important, will be considered and given the general approval of this house during the present session.

A class of people who are particularly neglected are the infirm and the invalid. If their families are too poor to give them appropriate care or if, because of their infirmities, they are unable to earn their own livelihood, these infirm and invalid become forsaken and outcast. Municipalities are unable to do anything to help them. The provincial statutes do not provide for them. I have found nothing in the federal statutes which might authorize the central power to help them.

Cripples and invalids are excluded from the labour market. They are turned away for reasons having to do with security, output and production. Deprived of employment, or occasionally doing some odd job, can an invalid ensure his own subsistence? If he has a wife and children, his plight becomes tragic and his distress is increased by the humiliation of having to beg and live on public charity.

Cripples and invalids deserve their share of well-being. I suggest to the Minister of National Health and Welfare (Mr. Martin) that he should consider the matter and have a survey made of the number of cripples and invalids without means of support, with a view to recommending an adequate and proper allowance, to be paid jointly by the central government and the provinces. If it so happened that the provinces declined to accept such a nation-wide plan, I believe the dominion government should assume the cost itself.

In a country as wealthy as ours, where life has become quite comfortable, there is no reason for leaving the underprivileged class in destitution and discouragement. Besides, our national security program will never be complete unless it includes special consideration for cripples and invalids.

In connection with social security, I have a suggestion to make to the Minister of National Health and Welfare. I believe that the term "old age pension" has become obsolete and inappropriate.

When the act was passed in 1927, it could be considered that reaching the age of 70 marked a giant stride on the road of life. Since that time, the legislation passed by the dominion and provincial governments for the control of contagious diseases and the promotion of public health has considerably increased the duration of human life and at 70, unlike what happened formerly, one can look forward to many years of existence, made lighter by the conveniences with which science has so wonderfully helped domestic life.

I have seen people sign their old age pension applications with some timidity, and I have also seen some persons driven to tears by the thought that such endorsement marked for them a transition which emphasized their old age. "Old age pension" is a hackneyed and undesirable expression. I would suggest "family welfare allowances", which would have a more pleasant ring and would suggest to our older citizens not the thought of impending death but the idea of serene and peaceful retirement.

Would it not be possible for the Minister of National Health and Welfare to ask the provinces for authorization to change the term "old age pension" to that of "family welfare allowance"? This simple change would cast more sunshine on one of the finest social security measures put forward by this country.

(*Text*):

Mr. E. A. McCusker (Regina City): I should like to say a few words in this debate. I congratulate the hon. member for Vancouver East (Mr. MacInnis) on bringing this resolution before the house and the hon. member for Vancouver-Quadra (Mr. Green) on the saner view he takes of it. In moving his resolution I think the hon. member for Vancouver East forgot the cost entailed in implementing the services. Probably I would not speak tonight if I did not come from a province in which we have had considerable experience in socialized medicine and with these different schemes over a long number of years.

Like the hon. member for Vancouver-Quadra, I think that the socialists and C.C.F. are too inclined to take the credit for any social services or health measures which are being implemented or extended at the present time. I would remind them that back in 1916, and earlier than that, the Liberal government of Saskatchewan introduced many health measures which were of great benefit to the people. We had then a people

who were suffering from adversity, crop failures and one thing and another. We had a portion of our people who were unable to meet their obligations and receive the attention that they required. A number of schemes were put into operation. In one of those a municipal doctor was introduced and the municipality gave a basic guarantee of salary to the doctor to enable him to come in and live there while he provided medical services for the community. Municipal hospitals were put into effect. Contributions were made by people at large. Those within the municipality itself who were unable to pay their municipal bill were assisted by those who were in more fortunate circumstances. Municipal health schemes were introduced many years ago by Dr. Seymour, who was then the deputy minister of health in Saskatchewan. The Saskatchewan tuberculosis league was an outstanding example of what a community can do in the treatment of disease. This organization was made up of officers from the rural municipality and officers from the urban communities, citizens at large and members of the government. They set up the committee which handled the tuberculosis hospitals of Saskatchewan. I believe it was then that free hospitalization first came into effect and not in recent years, as our friends from the C.C.F. party would have us believe. However, this was done under the control of a sane nonpolitical body, which sought no kudos for what they were doing. Expenses were controlled and I need not say anything about the work that they have carried on. All hon. members know that in Saskatchewan today we have the lowest incidence of tuberculosis to be found anywhere in the world, and probably the most advanced treatment. I may say that the other day in my city a tuberculosis survey was made of the population. What percentage of the population do you think was covered? Ninety-nine per cent of the people were X-rayed. That shows how conscious they are of this disease. These things have not been brought forward in recent years. It is something that has developed. You cannot give a service such as that to a people and have it accepted overnight. It must be built up gradually.

In 1930 the Saskatchewan Cancer Commission Act was introduced by Dr. Munroe. The work was developed by Dr. Uhrich, now lieutenant governor of Saskatchewan, when he was the health minister of that province. Today we have probably one of the most advanced centres for cancer treatment in the Dominion of Canada. We had there, until a few months ago when he died of a heart attack, Dr. Blair, who was director of our cancer service and who, along with Dr. Richards of Toronto, has contributed more to the care and treatment of cancer than anyone else in this country. It was sane treatment gradually developed.

During my election campaign I expressed myself openly and wholeheartedly in favour of a contributory old age pension without a means test. I believe in the contributory feature of it. In the constituency I have the honour to represent there are a large number of people who have been ordinary labourers. They have worked on the streets —worked here, and worked there. The more frugal among them during the years have been able to purchase their modest homes, develop good gardens around them, and grow some of their winter supplies. However, they have not been able to put aside quite enough to look after their security in old age.

In order to be eligible for old age pension they would have to pass means tests. Some worthless galoot down the street, who had never done a decent day's work all his life, could get an old age pension and be just about as well off as someone else who had worked hard, been a good citizen and saved during his lifetime. Therefore I am in favour of the old age pension without a means test. But it must be a contributory pension. I do not think anything is worthwhile if one does not contribute toward it.

I am in favour of unemployment insurance, and I believe family allowances are a fine thing. I had not intended to speak long this evening, but I did wish to mention briefly the matter of health grants. Here perhaps my C.C.F. friends may give me a little assistance by handling some of my C.C.F. friends in Saskatchewan, so that I may get for the community I represent that to which it is entitled, and which it is prevented from getting today by a C.C.F. government.

As hon. members are aware, the national health program made provision for the sum of $165 million to support provincial health programs over a period of years. These grants covered public health, professional training, technical training, public health research—and it goes on down the line until it comes to hospital construction.

The Regina General hospital built a wing at a cost of $800,000. Construction had been started before the health grant became effective. I believe that date was April of 1948. At any rate, the hospital was partly constructed by that time, so that the city was not entitled to the total amount of the grant. The hospital authorities felt that $225,000 was coming to them from the federal government by way of grant, and an equal sum of $225,000 was coming from the provincial government. It will be recalled that

federal health grants were to be matched by the provincial governments, in hospital construction.

When the campaign started last spring the city of Regina had received no grant. The hospital wing was completed, but remained empty because they had not sufficient money to purchase furniture. I made a public statement at that time, and the result was that there was an agreement to match $75,000 of the grant so that the hospital could buy furniture and open the wing. There was a waiting list of 300 people to get into the hospital. The building was there, but the provincial government refused to match the grant so that furniture could be purchased. The hospital had expended its funds. When I hear these great humanitarians talking I want to let them know just what the truth is, and just how human they are. They have matched $75,000 of that grant, but there is still over $100,000 which has not been received. The dominion government has agreed that the city is entitled to $175,000. Thus far the provincial government has matched only $75,000 of this amount. The taxpayers of Regina are forced to find out of taxes another $200,000, to which they are rightfully entitled by way of hospital grants.

So that if my hon. friends to my left who get their inspiration from there, and who seem to send inspiration out to them, can induce them to match this grant, I am sure my constituents in Regina city would be most grateful.

I believe I have said all I wish to say at this time.

Mr. G. A. Cruickshank (Fraser Valley): Mr. Speaker, I shall be brief. First I should like to congratulate the hon. member who preceded me. I believe his profession permits him to have a thorough knowledge about the subject concerning which he spoke. May I also say a good word for my friend from Vancouver East (Mr. MacInnis). I did not hear all he said, but, with the exception of one or two particulars, I approve of the resolution.

In particular I should like to associate myself with what has been said by the hon. member for Vancouver-Quadra (Mr. Green), that no party or individual has any monopoly on the desire to foster legislation of this kind. I agree entirely with the hon. member when he says that no member or party should attempt to claim that he or they alone desire to foster social security.

Like the hon. member for Regina City (Mr. McCusker), I committed myself during the election, before the election, and after the election. I believe in a compulsory contributory insurance scheme for all people, without a means test—and I believe that everyone in my riding is of the same opinion.

We have heard a good deal about dominion-provincial relations. Only two provinces balked at it before, and if they do not want to come in, then I believe the other eight provinces should not be deprived of the right to compulsory contributory protection by way of health insurance, or whatever one may wish to call it. I do not like the term "old age pensions", and I think some other name might be substituted.

I intend to support the resolution. It does not go as far as I should like to have it go, but I believe in a general way it embraces things which people in my constituency want. While I am not mentioning the names of the two provinces to which I referred, yet I feel that if they do not wish to come in, certainly the other eight provinces should not be penalized. I commend the hon. member upon his resolution. I do not happen to have a mother-in-law, but I like to tell stories. However, I do not like jokes on mothers-in-law. A person is very fortunate to have one.

If I may speak on behalf of the people in my constituency, I would say we are entirely in favour of what the resolution suggests. We think the government should not delay in bringing legislation down. Eight provinces have expressed a desire, while only two remain outside.

Mr. Karl A. Eyre (Timmins): Mr. Speaker, I have listened with a good deal of interest to hon. members who have spoken thus far concerning this resolution. May I take this opportunity to place myself on record as being in favour of the government's formulating a program of insurance which would be national in scope and sufficient to cover all citizens regardless of their age, or at any age, who, through permanent sickness or injury, become unemployable.

In my opinion this should be on a contributory basis, within the framework of our present system of unemployment insurance. May I at this time be permitted to bring to the attention of the house notices of motions Nos. 7, 12 and 23. Those three resolutions cover most of the reforms which I should like to see put into force.

During the past few months as mayor of Timmins I have witnessed a mine dispensing with the services of a considerable number of its old employees because of sickness, or for other reasons. The majority of these men had been employed by this particular mine for over 25 years and most of them have no income apart from a limited unemployment insurance benefit which will give them a small monthly income for about a year. In every case they are not eligible for old age

pensions. In a year or two these men who have been discharged will have to seek financial aid from the municipality or some other source.

I am quite aware that because of the uncertain life of a gold mine there are many factors that would have to be ironed out before a retirement plan could be instituted, and the majority of the gold mines in my constituency have had no retirement plans to date. To the best of my knowledge there is only one which has a plan formulated on paper. No doubt this situation will correct itself in the near future, but these men will not be helped.

I think industry large and small should be compelled to institute a contributory retirement pension plan and, if not, this government should institute a plan to cover all our citizens. Timmins constituency in the Porcupine area takes in approximately 16 operating mines. We have had a very good contributory medical plan covering all mine employees and their families. I think that plan should be studied and continued along with a contributory insurance retirement pension plan.

Mr. P. E. Wright (Melfort): Mr. Speaker, I had not intended to take part in this debate until the hon. member for Regina City (Mr. McCusker) spoke. I am sorry that in his maiden speech he should have attempted to introduce a political angle. In introducing this resolution the hon. member for Vancouver East (Mr. MacInnis) tried to keep the debate on such a plane that all hon. members could express their opinions without introducing a political angle. As a member from Saskatchewan, I do not think anyone can say that I have tried to derive political advantage from the things which may have been done in that province.

It is true that in Saskatchewan we have not been able to take as great advantage of the dominion government's dollar for dollar offer as we would have been had our government not been carrying on an aggressive hospitalization scheme for some two or three years prior to the dominion scheme being introduced. The fact is that we have the largest number of hospital beds per thousand of population of any province in the dominion.

That province, as well as the provinces of Manitoba and Alberta, has become very health conscious, not just in recent years but over a long period of time. It is true, as the hon. member for Regina City said, that there have been municipal hospital and medical care schemes for a number of years. It is true also that we have had tuberculosis clinics and free hospitalization for tubercular patients for some twenty years. This is made possible by taxes levied by the municipalities and through grants from the provincial government.

The hon. member left the wrong impression as far as cancer treatment is concerned. The hon. member stated that cancer treatment had been started long before the present government started in Saskatchewan, but the fact is that free cancer treatment came into effect after the C.C.F. government was elected and introduced the scheme.

Mr. Boucher: But the law was passed before.

Mr. Wright: It had never been implemented. I do not want to become too political in connection with this thing, and I am going to leave it at that. I ask any hon. member who is interested in what has been accomplished there to get the facts and consider them for himself.

There are two points in connection with this resolution which appeal to me. One is the fact that it is asking for an integrated scheme for the whole of Canada, a minimum standard of social security for everyone in the dominion, instead of a hodgepodge scheme built up by introducing certain social security measures which are under provincial jurisdiction in some places and under dominion jurisdiction in others. In the case of children's allowances, I understand in seven provinces the administration is provincial whereas in two provinces these allowances are administered by the dominion government. Such a mix-up in administration makes it more costly.

It is only by having an integrated scheme arrived at by the provinces and the dominion getting together that we can hope to have social security at a reasonable cost and where everyone will contribute and feel that any benefit derived is a right.

Then with respect to the contributory feature, as the hon. member for Vancouver East has stated, the only way that social security can be paid for is by the work and labour of the people who produce the goods and services. I have heard the hon. members say that we in the C.C.F. expect these things to come from heaven or somewhere else, that their cost is going to come out of the large corporations or the men who have a million dollars; but social security can come from no one but the people who produce the goods and services, the men who sweat to raise food and the men who work in the factories to produce our goods and services. That is the only way that we can provide our older and indigent people with what they need.

There is no argument about our ability to produce. Every year we produce to an extent

whereby we can export some $400 million to $500 million more in the way of goods and services than we are prepared to bring back into the country. Surely a nation that can do that can provide necessary social security for its people. It is only a matter of working out the method. Surely in this house we can work out, in co-operation with the provinces, a method to give social security to our people.

Hon. Paul Martin (Minister of National Health and Welfare): I think it may be desirable for me to take part in the debate at this stage and give an indication to the house generally of how the government views this particular resolution. May I say in the first place that I join with hon. members in expressing the conviction that an objective discussion of this matter is in the interests not only of good debate but also of a fuller appreciation of all the complexities involved in a resolution of this character.

I should also like to say that today we hear a good deal of indirect and suggestive criticism of what is called in many quarters the "welfare state". I want to say right here and now that I am not quite sure what precisely is meant by those who use the phrase "welfare state", but I suspect that their criticisms of the welfare programs of this and other countries carry with them the intention of trying to criticize social security programs generally. If by the "welfare state" is meant a government of a country providing for its aged; providing for those who, because of want of economic resources, are denied the best of hospital and medical care; providing children with the opportunity of attending school until the statutory school age limit and providing them with as great an amount of nutrition and general opportunity as possible, if by the "welfare state" is meant that the state must have a continuing interest in the welfare of those groups in the nation who must look to the state for assistance in one way or another, then I am afraid that those who use that term for critical purposes will find that most people in Canada believe in that type of welfare state.

The other day the same observation was made by the President of the United States. Therefore I suggest to those who use this phrase disapprovingly that they take serious account of the implications that are involved in their criticisms. If by "welfare state" they mean that we shall set up a system of statism or of socialism in its broad sense, then of course their criticism may have greater merit; but to suggest that the welfare state, in the sense in which it has been developed in most countries of the world, is in itself a sinister thing is to say something with which I would want to take serious issue at the outset of my remarks.

The resolution of the hon. member will bear repetition. While it does contain in its generality something that most of us can accept, certainly, speaking as a member of the government, I must give it the most careful analysis, and suggest that it may contain implications that were not in the mind of the hon. member who proposed the resolution. The resolution reads:

> That, in the opinion of this house, the government should seek the co-operation of the provinces for the purpose of formulating a program of social security that will be national in scope, adequate in its provisions, and that will cover all citizens of Canada in every circumstance where the individual or the family is, for any reason, deprived of the opportunity of earning a living.

On the question of co-operation with the provinces, may I say that not only should this government co-operate with the provinces towards the attainment of the objectives envisaged in the resolution, but this government continues almost daily that very type of co-operation. The co-operation formally began in 1945 when, at a conference in another part of this building, the provinces and the dominion sat down to discuss certain proposals which the dominion government offered to the then nine provinces of Canada. A subsequent conference was held a year later. Those two conferences followed one held in this chamber in January, 1941. Since that time, in spite of the failure to arrive at an understanding or agreement in full conference, there have been bilateral discussions and agreements on tax matters between the dominion government on the one hand and seven provincial governments on the other.

Since that time there have been, as I said a moment ago, continuing discussions with the provinces. Only this morning I had a discussion with a representative of a provincial government with respect to a matter that would be involved in this resolution. I offer the suggestion that our experience in the holding of open conferences perhaps will suggest to our minds that the most effective way by which to achieve the desired objectives is not necessarily to proceed at once with a full conference, but to carry on talks as they are now being carried on in certain fields for purposes of exploration with the provinces. Of course sooner or later, as the Prime Minister (Mr. St. Laurent) has already indicated in the letter he has written to all of the provincial premiers, it will be necessary to have a larger conference as a result of the preparatory work that may have taken place.

Therefore I can agree at once with that part of the resolution which says:

> . . . the government should seek the co-operation of the provinces for the purpose of formulating a program of social security that will be national in scope, adequate in its provisions . . .

I think I should at once enter a caveat that what will be "adequate" will be a subject of controversy. As Mr. Marsh says in his report of 1943, I believe it is, what is adequate in terms of social security benefits is a matter that involves a variety of opinions, and I would not be honest with the house if I said anything other than what I have already stated in this chamber, that social security benefits by their very nature are by way of maintenance grants.

As to suggesting a particular figure for old age pensions, for instance, I have never heard a figure suggested that could in the truest sense of the word be said to be an adequate old age pension. Even the highest figure given in this house, or now in existence in any country, might be interpreted, and I think possibly with justification by most, as not being wholly adequate in the fullest sense of the word. What we can hope to do is to try to obtain a system of social security benefits that will be as generous as it is possible to have under all the circumstances.

On a resolution like this, as the minister charged with the responsibility for many of these matters, in my analysis this evening I think the house would expect me not merely to dismiss some phases of this resolution but to show why there are difficulties in accepting it in full measure as it is presented to us. To do so, I think I should show what we have done, the cost involved in what we have done, and what we hope will be other projects to be carried out, indicating in this way the possibility of expansion; for nothing would be more dangerous than to embark suddenly upon a particular social security measure without a full appreciation of all the economic factors involved. To do that would be to prejudice the possibility of ever having a complete social security program. When I brought in the first amendment to the Old Age Pensions Act in my name as minister, and it was suggested that the amount was not large enough, I think hon. members will remember that I agreed. I said it was not as large as the government would like to see it or as I was sure the house generally would like to see it, but that in fixing that particular amount the government had exercised its judgment having in mind other social security measures. So I am sure that when I indicate to the house the cost involved, not only in what we are now doing but in what may perhaps be done in future, I am sure there will be general acceptance of the word of caution I am now expressing.

I have dealt with the fact that we are co-operating. I have indicated that we have certain proposals whose objectives still represent the policy of this government, and that we are proceeding in the light of our experience in what we consider the most effective way to attain those objectives. But I would not want anyone to think from reading this resolution that no substantial steps have been taken already in the development of a social security program in this country. As an authority from the university of Columbia said about two years ago, speaking at Lake Couchiching, Canada's social security program as of that date—and it has expanded very considerably since that time—was a rounded, responsible scheme of social security that would commend itself to any reasonable student in any part of the world. When you examine the monetary returns from family allowances, old age pensions, unemployment insurance benefits and the various financial opportunities given under the veterans' legislation, it will be found that in terms of dollars and cents our record will stand against that of any country in the world with the exception of four individual states in the republic to the south. That is a fact of great note which must be borne in mind in considering whether or not we have, for the time being, a program that can commend itself to reasonable men and women throughout the country who believe in a responsibly-conceived program of social security.

One of the more recent steps, of course, was the national health program announced by the then Prime Minister a little more than a year and a half ago. It should not be forgotten also that in 1947 and 1949 important amendments were made to the Old Age Pensions Act, not only with respect to the aged but also with regard to our blind citizens; and those amendments had the effect of increasing the number of old age pensioners in Canada from some 225,000 to the present figure of something like 280,000, out of the 550,000 aged citizens of this country. At the same time, provision was made through an amendment to the Old Age Pensions Act to lower the age of qualification by blind pensioners from forty to twenty-one years.

Those were measures of great substance. In 1946 we spent on old age pensions, on federal account, some $42,800,000. Today, following those amendments, we are spending $90,000,000 on old age pensions. That is only our share. When it is remembered that in addition to their supplementary payments

the provinces pay 25 per cent of the basic pension, it will be appreciated that this represents a very substantial series of amendments.

It will be recalled that last year the basic old age pension was increased from $30 to $40. That placed us at the highest level for old age pension returns of any country in the world. At the same time we effected amendments to the Family Allowances Act eliminating the decreasing scale after the fourth child, which represented an additional financial obligation of between six and eight million dollars in the current year. We also provided that the qualifying period of three years should be reduced to one year. That was a substantial series of amendments, which one would want to consider in discussing this resolution. And concurrently with those measures, in addition to the initial steps that had been taken, increased provision was made for veterans through various amendments to the pension and war veterans' allowance legislation. This liberalization of pensions and allowances has supplemented the outstanding treatment and rehabilitation program which was developed by the Department of Veterans Affairs under the leadership of the late Senator Mackenzie, and which is now being carried on by my colleague the Minister of Veterans Affairs (Mr. Gregg).

Those are recent amendments, Mr. Speaker. I have not dealt with the body of the existing program of social security; but I suggest that one must deal with the body of our program to appreciate this resolution in its perspective and its full purport. In the last two decades we have adopted advanced and mature lines of social progress. When I tell the house that in the coming fiscal year Canada will have allotted more than $800 million for social security measures, on federal account alone, I am sure I am making a statement which in itself will confirm all that I have said thus far to the effect that we have developed our social security program in a very thorough manner. When you consider what other countries are spending on social security and compare it with what Canada is spending, I am sure on serious reflection no one will doubt that we have indeed a program of the greatest proportions, of which we have every reason to be proud.

Tonight we have had some discussion about old age pensions. The introduction of our Old Age Pensions Act in 1927 has resulted in the federal government alone since that time spending $625 million. At the present time some 280,000 Canadians are receiving pension assistance. As a result of the amendments to which I have already referred, as I said a moment ago, we shall this year be spending on current account $90 million alone on old age pensions, not including what the provinces are paying in respect of their 25 per cent or by way of supplementary payments.

As was stated by the Prime Minister (Mr. St. Laurent), the goal of the government is toward a system of contributory old age pensions. But as one who in these past two and a half years has had to give a good deal of thought to this matter, let me say clearly that I have used the word "goal" because I want to be fully honest with the house. We have not now in this parliament the power to enact a compulsory system of old age pensions on a contributory basis. As forecast in the speech from the throne, we are taking steps to acquire the power to amend the constitution of this country by our own agency. When that power has been acquired, discussion will inevitably arise with the provinces as to their attitude with regard to endowing the federal government with the necessary power to enact such a measure if, after the most careful analysis, it is thought that is the best course for Canada and for her aged citizens, and is the most effective way of bringing about what we all hope will even yet be a more perfect system for old age retirement.

Let me at once explain why I speak in this way. Recently in the United States we have seen agreements between management and labour with regard to pension schemes where the element of contribution has been completely removed. What will be the effect of those agreements upon schemes which the state may want to sponsor remains to be seen. Only last week I took advantage of my presence at the United Nations meetings to discuss with the representatives of two countries, including the United States, their experience with regard to a great number of industrial pension schemes existing in those countries. It is amazing to find the number of noncontributory schemes that are in existence. It is much greater, I am sure, than the house at the moment perhaps realizes. What the tendency will be is a matter that we must look at clearly. It may be that a great section of our public, when it ascertains that there are to be these noncontributory schemes, may feel that a noncontributory scheme is the best thing for Canada. At the moment that is not my view. At the moment I believe in a contributory system, one that will put into the hands of the recipients the opportunity of building up a fund for his or her retirement period. But as I say, having made that assertion I must qualify it by pointing out the difficulties, such as the constitutional position for one thing, and, for another, the development of new schemes on a broad scale, much broader than perhaps many anticipated a few years ago. But in

spite of all this, my thinking at the moment suggests that, just as with unemployment insurance, so too with old age pensions, we may possibly be approaching the period when we can give active consideration to a scheme on a contributory basis.

But I want the house to appreciate fully that the position I am now taking is one by way of objective, as a goal, rather than a positive statement; because that can only be given after the fullest discussion with the provinces and with others concerned.

Mr. Noseworthy: At the next election.

Mr. Martin: The hon. member wishes to introduce a political note, but I think the house will appreciate that I am trying to deal with this matter in a responsible manner in keeping with the way in which the resolution itself was introduced in this house.

Then there is the matter of unemployment insurance by which 3,350,000 workers now are provided with a reserve of well over half a billion dollars; the veterans' charter; the legislation providing for support for farm and fish prices. All these are important steps in providing social security for those in the nation who require it. In our family allowances measure we have perhaps the most effective single act of social security ever introduced by any country in any part of the world. We were not the first to introduce family allowances, but our level of family allowances is higher than that of any other country. Our system was the first to take on the character of full government participation without contribution from parents or guardians or from industry. We have the benefit of the experience of family allowance schemes in France, Belgium and Switzerland, where such schemes have been in existence for many years. Because we were so desirous of avoiding the use of family allowances as a means of depressing wages, we removed the contribution from industry in order that there could be no excuse or deliberate effort made to use family allowances as an occasion to depress wages.

In considering, as the resolution suggests, that we should formulate a program of social security that will be national in scope, surely this measure of family allowances has a great role to play. Last June—on June 1, to be exact—we made a payment to an individual parent representing the attainment of one billion dollars in family allowance payments since the period of inauguration of that particular measure. When it is remembered that family allowance cheques go out each month now to at least 4,100,000 children, representing 1,800,000 families, spending this year alone for that purpose the sum of $290 million, it will be appreciated that we in this country have embarked on a substantial social security program. Leaving out family allowances and the veterans' charter, and taking particularly unemployment insurance—the power for which came to us as a result of a constitutional amendment consented to by the provinces—and old age pensions, in those two measures we, within the provinces, have enjoyed, on the whole, a great measure of co-operation. I was glad to hear the hon. member for Vancouver East (Mr. MacInnis) say tonight that he was not advocating a system of centralized control or administration. Surely anyone who has given this subject much thought will agree at once with that proposition. For any federal state like Canada to try to centralize administration or even to assume full financial responsibility is not realistic and, I submit, not desirable. The moment we take away from the provinces or, in some instances, from the municipality, some responsibility in the matter of social welfare, to that extent I think we shall seriously prejudice the development of a system of social security in Canada. That is why, in so far as we can in health, in old age pensions, and in most of these other measures now in existence or developing, we must seek to have schemes that involve provincial as well as federal interest and federal action.

Another measure that I want to mention tonight as part of this program that we have now and that is developing is our national health program. This is by no means an insignificant measure. It is a measure which, when it was introduced, received, as one would expect, the full approbation of this house, as indeed it received it from all of the provincial governments in Canada but one who expressed themselves on it. That measure is an important one. It represents, as the hon. member for Regina City (Mr. McCusker) said earlier tonight, the determination of this government, or of this parliament, to expend within a period of five years from the date of the announcement of the program $165 million for the purpose of helping the provinces, where resides the primary constitutional responsibility for matters of health, to enable such provincial governments to accelerate their public health programs through campaigns for tuberculosis control; for crippling conditions in children; campaigns in connection with venereal disease; campaigns to encourage scientific research along medical lines; to encourage professional training; to encourage cancer control; to give impetus to hospital construction programs in this country. All of that is part of a program which serves as a pre-

requisite for a soundly constructed scheme along responsible lines for medical and hospital care.

If for any reason one wants to depreciate that program, let me refer right now to the words used by the American public health association a year ago when commenting upon Canada's national health program in the United States. I should make this observation. They have developed a system of health grants just like our own. Our grants on a per capita basis are greater than every grant which the federal government in that country provides for the purpose of assisting the state governments in the discharge of their responsibilities in the formation of health policies in the United States. That surely is a matter of great significance. The very fact that in the first year it was not possible for the provinces to utilize the full amount of money made available to them indicates the generosity and the imagination of those who were responsible for this national health program. Who were responsible? The program represents the joint endeavour of both the federal and the provincial governments.

My hon. friend properly asks us to seek further ways of effecting co-operation between the federal and provincial governments. That has been done, and particularly in this instance. Before we embarked on that program we called a conference of the provinces, and the Department of National Health and Welfare met with the responsible officials from the various departments of health of the provinces. We laid before them our ideas and we obtained their reactions. In every step since then we proceeded with the provinces in a co-operative manner, trying to make the scheme more effective as the result of such co-operation. Only this morning to the extent that time allowed I took part in a conference, which is going on tomorrow morning as well, with the mental health directors of the ten provinces of Canada who are sitting down with us in our department working out schemes based upon this program and certain projects that all of us have in mind for the future. That kind of co-operation is prevailing between ourselves and the provinces. I am happy to say that such co-operation is increasing in its intensity and I think in its consequential achievements.

With regard to this plan as a prerequisite, I will simply repeat what I said on another occasion in this house. This program provides the fundamental prerequisite of a nation-wide system of health insurance. The new services being developed, and the hospitals being built with funds now provided by the federal government, are hastening the moment when in every province it will be possible to take further action toward hospital and medical care insurance, for which of course the federal government will provide assistance under satisfactory agreements for dominion-provincial co-operation.

The present Prime Minister (Mr. St. Laurent) shortly before the statement that I have quoted, which is mine, said:

> It is up to the people and the government in each province to take the initiative in working out health insurance plans in line with their local conditions and their traditions.

That represents a carefully conceived and thought-out policy. It is based on the proposition on which this resolution itself is based, namely, that these schemes depend not on unilateral action but on co-operative action between the dominion on the one hand and the provincial governments on the other. A year and a quarter ago we had as our objective the building of forty thousand additional hospital beds in Canada. That was a project which some said was too great; it was said to be an impossible assignment or target, but because of the co-operation which we received from the provinces, and because of the financial assistance we made available to them, I am in the happy position of being able to say tonight that within the last year and a half this co-operative enterprise has resulted in the building of fourteen thousand additional hospital beds in Canada.

Now, sir, I should like to deal particularly with what I think may be considered as some weaknesses in the resolution that is now before us. With the proposition that the government should seek the co-operation of the provinces for the purpose of formulating a program of social security that would be national in scope and adequate in its provisions, I say unhesitatingly that that too is the view of the government. Not only is it our intention to continue that method of co-operation, but we have been doing that very thing. While in the last few months we may have resorted to different tactics by which to bring about certain achievements, the fact is that we subscribe fully to the terms of the resolution to the extent that I have read them. But, sir, we have a responsibility, a responsibility not only to ourselves but to the provinces and to others in the country, not to pass a resolution whose general terms are fully accepted by us, but to make sure that we have examined every implication involved in that resolution. I take second place to no one in this house in my desire to see a fully developed scheme of national security even on a more extended line than we now have in this country. But because that is my purpose I have to approach this in the

light of my responsibilities as the person and as the member of the government for the time being charged with bringing about the objectives of the resolution. The part I find some difficulty with is this:

> And that will cover all citizens of Canada in every circumstance where the individual or the family is, for any reason, deprived of the opportunity of earning a living.

I do not think that, on careful analysis, we can agree exactly to that. Let me give some objections that come to my mind almost at once. First of all the words "all citizens" are used. We have many citizens of Canada who do not live in Canada. We have citizens who live abroad, some of them permanently abroad, whose domicile is still abroad, and who are enjoying social security benefits under other jurisdictions—or, if they are not enjoying social security benefits, are outside the reach of the government at home.

Is it intended that such individuals should be included? Let no one think for a moment that the persons who are legal citizens of Canada but whose domicile is abroad are few in number. The number is a very significant one, as my colleague the Secretary of State (Mr. Bradley), I am sure, could indicate, if the question were directed to him.

Then, another objection I see to these very doubtful terms is that the resolution as a whole takes no account whatsoever of municipal responsibility. The three levels of government in this country are municipal, provincial and federal, and all three have their responsibilities. While in the first instance the responsibility of the municipality was more comprehensive than it is now, the fact is that municipalities still have their responsibilities in respect of these arrangements. Many provinces take the view that we are not encouraging sufficiently the assumption of responsibility by the municipalities in their particular areas.

But they have to be taken into consideration. There are many cases of hardship that can even at this time be best taken care of by municipalities. They are not cases of a type; they are individual special cases. In Great Britain, in New Zealand, in Australia, that local responsibility has not been taken away. In those countries, likewise, every citizen is not covered, in the sense that this resolution envisages, by the social security provisions to be found in those countries.

Then again—and I have to interpret the resolution very strictly, because of its implications—this resolution in its final terms does not take into consideration a citizen or individual who might himself be guilty of an act which would put him out of the wage-earning market, or the income-earning market; and there are a few such individuals. A man could deliberately—and we have had such cases—dismember his two hands, and yet under this resolution he would be entitled to benefits. Are we going to say tonight that that kind of situation should be condoned by a legislative body?

Some hon. Members: Oh, oh.

Mr. Martin: My hon. friends laugh. But we are legislators. We are called upon tonight to pass a resolution; and our responsibility and our duty is to make sure that that legislation covers every case which at the moment of deliberation we are able to think of. It is my responsibility as Minister of National Health and Welfare to indicate what I believe to be some of the inadequacies and weaknesses in the resolution as at present drawn.

Another more serious objection is that the mover of the resolution uses the words "that will cover all citizens of Canada." But we have not made citizenship a condition for obtaining social security benefits. A child does not have to be a citizen under the Family Allowances Act in order to be eligible for the family allowance. An old age pensioner does not have to be a citizen of Canada to get an old age pension. A man does not have to be a citizen of Canada to be a beneficiary under the Unemployment Insurance Act. Yet this resolution would go farther, and would restrict not only future legislation but existing legislation.

It calls upon us to pass legislation, with the active co-operation of the provinces, provided it is given to all citizens of Canada. Let me repeat that we give social security benefits in this country in respect of the various acts I have mentioned, not on the basis of nationality, not on the basis of citizenship, but on the mere fact of residence; and this resolution does not take that into consideration.

The final observation I would make in this particular is to indicate, as I said at the outset, that there is no country in the world with a provision of this kind. Take a country where, it may be suggested, social security benefits are most comprehensive—and it has been suggested the United Kingdom is such a country; for the purposes of argument let us accept that suggestion. But in the United Kingdom there is no social security measure which provides social security assistance for all citizens of the United Kingdom in every circumstance where an individual or family is for any reason deprived of the opportunity of earning a living.

I say that to have a resolution couched in those terms—I was going to say "extravagant terms", but I will not say that, because the

hon. member who is the author of this resolution is a responsible member of the House of Commons and usually approaches discussions of these matters in a serious manner. I will not use that word; but I am sure upon reflection the hon. member will find that the observations I have made are not without merit.

There is nothing further I can add except to say that, in a general way, so far as requesting the government to seek the co-operation of the provinces is concerned, we will continue to do so. That we are doing. I believe that what we are now doing will, in the course of, I trust, not too many months, be productive of good results.

Beyond that at the present time I cannot go, except to say that the government will make every effort toward expanding its program, in the light of what it believes should have priority, and in the light of what it considers to be its financial limitations—and that is something which we have to keep in mind. In the light of these things the government is not oblivious of the desirability of continuing to seek the co-operation of the provinces in expanding our social security measures.

One would not be thorough in his presentation if he did not again say that the basis of any social security system is the maintenance of peace in the world, that the productive capacity in a country should be maintained at a level whereby these things can be assured and continued.

It is true that Sir Stafford Cripps said the other day in the British House of Commons that there would be no interference with provisions for social security payments in that country. On the other hand, I can say with some authority that there are countries in continental Europe—and for fear of perhaps entering into a field in which I have no authority to make any public observations, I shall not name them—there are countries, represented by distinguished statesmen who have recently visited Canada, where very serious consideration is being given to reducing the social security payments, because of weaknesses in their productive capacity.

We do not want to be in that position; and it is because we do not want to be in that position that this government is doing all it can to make its contribution toward the preservation of peace in the world, doing all it can to extend its foreign markets so that our artisans, industrialists and farmers can sell their products, in return for which there will be guaranteed incomes to enable Canada to carry on in a responsible way these schemes of social security.

[Mr. Martin.]

In speaking to this resolution I may say in all fairness and indisputably that the government that is now ready to seek the co-operation of the provinces has by its record to date given evidence of its determination to continue in the pursuit of that co-operation.

Mr. F. D. Shaw (Red Deer): Mr. Speaker, my colleagues and I are intensely interested in the resolution presently before us. Perhaps one could leave it at that and at the same time leave the impression that we are going to support it. However, having said that, perhaps I should indicate that I personally have no hesitation in indicating my readiness to support the resolution. I was rather interested in the observations of the Minister of National Health and Welfare (Mr. Martin).

In the first place, he took considerable time to dig up—perhaps I can use that expression—every conceivable type of condition that might, either now or some time in the future, arise under this particular resolution. If every piece of legislation brought before this house by the government were considered in the same way we would be unwise to pass any of it. During the course of years that I have had the privilege of occupying a seat in this house I have heard, not one but several cabinet ministers, when questioned rather closely with respect to sections of bills, say that it would have to be left to the courts to decide. Yet in connection with this particular resolution the minister went into great detail to indicate some real and many purely imaginary conditions which could be used as an argument for casting the resolution aside.

I believe I heard the minister go so far as to say that one might cut off both his hands in order to qualify under legislation that might be brought forward as the result of passing this resolution. I am not conscious of any piece of dominion government legislation in the field of public welfare, good as much of it is, under which I would cut off even one hand in order to qualify. I am sure that most Canadians feel the same.

I agree with the minister wholeheartedly, and the resolution agrees with him, when he states that the provinces should be consulted with respect to health measures. We have always been much opposed to centralization and we feel that under centralization this type of activity could not conceivably be effective. We feel that decentralization, with administration left in the hands of the provincial governments, would bring forward much more effective results than would otherwise be the case.

We agree with the second portion of the resolution which states that any security

scheme should be national in scope. It is well known that many parts of Canada are more favourably blessed from the standpoint of resources than other parts. We realize that those areas which are so blessed could provide a higher standard of health services than many other sections. But it is Canada we are dealing with. It is the health of Canadians we are concerned with. We are most desirous of seeing that any benefits that do accrue shall accrue to the people in those areas which from an economic or national wealth point of view are not as well blessed as other parts of the country.

The minister referred specifically to the latter part of the resolution and indicated that that was why the government could not accept the resolution. I think one of the most objectionable types of cases we encounter in Canada today are those which concern persons who because of physical incapacitation are unable to earn a living. Cases come to the attention of every one of us of persons under 70 years of age who cannot qualify for benefits under the Old Age Pensions Act, who have had to leave the labour market because of physical infirmities, who have nowhere to turn to except the municipal relief offices. Personally I do not think we have succeeded in any respect in the field of social security when persons are obliged because of incapacitation to seek municipal relief.

That is one reason why we have always urged that the Old Age Pensions Act be amended or a separate act enacted to permit these persons to qualify for benefits. I would go so far as to say that the government, in co-operation with the provinces, might consider this type of legislation before extending other types of legislation which we now have on the statute books and which provide benefits to other groups of people. I would be the first to say that, as far as our Old Age Pensions Act is concerned, we have still some distance to go before the payments are sufficient to guarantee a decent living for our people; but on the other hand those people are certainly much better off under the present rate of pension than those who are physically incapacitated and not eligible for anything. I think the minister might concentrate upon the solution of that particular problem as his next objective.

I would be the last one in the world to endeavour to take any credit away from the minister or the government for what has been done in the field of national health. I think that most of that legislation has proved beneficial to many of our Canadian people. But I recall a time when many of us were pressing for that legislation, long before it appeared on the statute books of our country. I can recall when many hon. gentlemen who are now sitting in the house ridiculed us day in and day out for suggesting that such a thing as family allowances was possible. It is significant that since 1945, when family allowances became a reality, we have not heard that type of criticism. We pride ourselves upon the position which we took and the part which we played in persuading the government to adopt that legislation and make those allowances a reality in Canada.

As I say, we are most grateful for the legislation that has been passed to assist the Canadian people in the field of public health. We anticipate more, but we do not feel that this resolution in its present form brings forward all the evil possibilities that the minister indicated during the course of his speech. As I say, we can be assured that with the co-operation of the provinces no minister would bring in a type of legislation that would permit many of the conditions which he referred to as being dangerous under the type of legislation that he envisaged following a resolution of this character. It could be said that the resolution is nothing but objective. It could be considered as an endorsation of much that the government has already done in the field of national health and social security. It could be a directive from the house to the government to proceed further with the introduction of other measures as and when such become possible.

May I say to the minister I feel that in the absence of a certain economic policy—perhaps I can put it that way—which would remove from our society the condition under which certain people find themselves unable to procure essential health services, the government is definitely under a moral obligation to pass the necessary legislation in order to fill the gaps.

I do not desire to occupy more of the time of the house. I agree with much that has been said by previous speakers, but at the same time there is a good deal with which I do not agree. I shall not take the time at the moment, however, to point out on what grounds I disagree. I repeat that we feel there is no danger in the passage of a resolution of this kind, because we are certain that the government is not going to negotiate any agreement with the provinces under which they will clash head on with many of the difficulties which the minister enumerated.

Mr. J. W. Noseworthy (York South): I listened with a great deal of interest to the minister's remarks on this resolution. I was particularly interested in what he had to say regarding the so-called welfare state. I have noticed, as he has, that on the part of newspaper and magazine editors particularly there

has been a great deal of criticism of the so-called welfare state. It has been quite evident in their criticisms that those editors were referring to the welfare state in the sense in which the minister interpreted it, and not in the sense of a completely socialistic state. A few days ago I read in a very popular United States magazine an editorial holding up the example of the Ford settlement with its employees as an illustration of capital welfare as opposed to the welfare state, and calling upon industry to institute such schemes of insurance in order to postpone the day when the state would take that action on behalf of its citizens.

I think there is a theory being propagated that is dangerous in a democracy. It is that government, as we have it in Canada, is something far removed from the people. I think it is time that steps were taken by editors generally and by those who influence public opinion, to point out that government in our country, and in all democratic countries, is not something removed from the people, but that government is a part of the people and the people themselves are a part of the government. I think it should be pointed out that in taking such steps to protect the welfare of citizens as are taken under social security measures the people are thereby doing collectively for themselves what a good many citizens could not possibly do individually. I can think of no more intelligent way of co-operating than by co-operation through the government whereby we collectively provide for those emergencies which the individual citizen in numerous cases cannot provide for himself. I can think of no more Christian way of meeting those difficulties than by doing it collectively through our government at the various government levels.

I was rather surprised at and disappointed by the objections which the minister raised to the acceptance by the government of the resolution. I have a very high respect for the intelligence of the Minister of National Health and Welfare (Mr. Martin) and it is for that reason that I was amazed at the piffling arguments which he put forth in objection to the resolution. Many of his arguments were such as no high-school class in this country would consider logical, and I suggest that they are an insult to the intelligence of the members of the House of Commons.

The minister quibbles about the use of the word "adequate" in the resolution. He knows full well that, before the resolution takes the form of law, the government, in consultation with the provinces, will be obliged to bring down a definite bill, and that the terms of that measure will be hedged around with regulations to be made by orders in council. He knows very well that the government is quite capable of seeing to it that the word "adequate", when translated into actual legislation, will be reasonable and will not involve the unreasonable difficulties to which he referred.

He asks us to oppose the resolution because it attempts to cover all citizens of Canada and there are some citizens of Canada living outside of the country who should not be covered. Surely his department, and the government he represents, can be depended upon to be sufficiently intelligent in introducing legislation and regulations to see that that particular phrase in the resolution is taken care of. He suggests further that the resolution does not provide for those residents of Canada who are not citizens of Canada, and he tries to imply that, if we accepted the resolution, legislation would be introduced whereby residents of Canada who are not citizens would not be entitled to benefits under it. There again he is simply setting up a straw man. The validity of his objections is illustrated by his statement that it is conceivable that some citizen might cut off his two hands in order to be eligible for compensation under this legislation. I suggest that is pretty far-fetched. I cannot picture the minister going before the industrial workers of his own constituency and putting forth that argument as a reason for not accepting this resolution.

The minister spoke of the cost of the present welfare projects of the government. This resolution does not criticize the government on what it is doing. No one in this house wants to criticize the government on what it is doing. We recognize that the government has been moving in the right direction, but our criticism is that it is moving too slowly. It has become a habit with the Liberal government to withhold much-needed social legislation until just before an election, and then to introduce that legislation on the eve of an election. That happened in the last election, and in the election of 1945. I think the members of this house should be concerned to see that we do not spend the next five years coasting along on the social legislation we have already, waiting until the eve of the next federal election for the government to introduce the sort of legislation every political party advocated on the hustings last June. I do not think there is a constituency in Canada in which a member could get elected if it were generally known that he was opposed to the type of social security visualized in this resolution. I represent a constituency which includes one of the wealthiest municipalities in this country, and I am confident that no man could get elected

in South York if it were generally known that he was opposed to the sort of social security legislation that is set out in this resolution. As a matter of fact, there were three candidates in that constituency in the last election, a Liberal, a Conservative and myself, and night after night all three of us were promising that if elected to parliament we would do our best to impress upon the government the need for just this kind of social security.

I am quite confident that if they are approached the provincial governments will co-operate in such legislation. The fact that one or two dominion-provincial conferences were unable to reach agreement is no reason for not making further attempts. The minister outlined the steps being taken by the government at the present time, the method of approaching one province at a time on one specific project. We do not want to wait another fifty years for the kind of social security legislation that was promised by the Liberal party thirty years ago. We want some steps taken at the beginning of this session so that such legislation may become effective within the next five years, during the lifetime of this parliament, rather than ten or fifteen years from now.

Mr. Irvin W. Studer (Maple Creek): The subject matter of the resolution now before the house, Mr. Speaker, is close to the hearts of many of us, and something we can all support if the mover and seconder will word their resolution in such a way as to make it possible for all the people of Canada to receive the benefit of anything this parliament may do in regard to social welfare and security.

For many years the dominion government has been trying to formulate a policy under which it could enact social legislation the benefits of which would be received by the people of every province. I do not believe any government of Canada has made more overtures, or has pleaded more with the provinces to enter into an agreement for the benefit of all the people of this country, than this government has done since 1945. The resolution asks that the government seek the co-operation of the provinces to bring about these beneficial conditions. I think it is about time the provinces should seek to co-operate with the dominion government in bringing about a condition under which all the people of the country will benefit from whatever steps may be taken. Time after time within my recollection there has been difficulty in connection with dominion-provincial agreements. Not only do I want agreement with respect to the health services of the country, about which the minister has spoken this evening; I also want agreement in regard to all the services affecting the people of Canada. To those who have been criticizing this government, I would suggest that they go to the provinces which thus far have refused to co-operate and preach this policy of co-operation, so that their people may obtain the benefits which will result from an agreement between all parts of the country.

It is impossible for a particular province to formulate a policy in regard to social services which will be permanent and of definite benefit to the people for all time. We know that from our experience in Saskatchewan; but let it be understood that the government of that province has been trying to do something, and I suggest that it be given all credit for that. It may be that it has been doing it in the wrong way, but at least the government has been trying to do something. The dominion government is endeavouring by the experience of the various provinces and of other countries, so that when it formulates a policy it will be permanent and of benefit to all the people throughout the land.

Incidentally, Mr. Speaker, I believe that in the last few years the Liberal government has listened more attentively to the criticism offered by the opposition than any other government in history. Strangely enough, however, the government that listened to that criticism and benefited therefrom is here in larger numbers today than ever before, while those who delivered that criticism without stint in the past few years are here in fewer numbers than ever before. So I suggest that the criticism offered by any opposition party will be well received by the government, and I believe the opposition parties will do themselves and the people in general a service by presenting resolutions of a kind which all the people can support.

A short time ago the hon. member for Vancouver-Quadra (Mr. Green) dealt with the question of social services for all Canada. If what he has said is indicative of the feeling in the province with which he is closely associated, it would seem that prospects of co-operation in future are much brighter than they have ever been for some time. There has been some criticism of the suggestion by the minister that there may be some difficulties in the way of putting into effect the provisions of a resolution of this kind. Perhaps it was held up before us that some of the things he has offered as criticism are not well-founded. We learn as we go along—and we who are from Saskatchewan are in close association with some of the things that have happened there in this connection—things that we do not want any dominion government to have in its system of social services and which we want to prevent. This has

nothing in particular to do with what was offered by the Minister of National Health and Welfare (Mr. Martin). Nevertheless, we could perhaps offer as an instance one little thing that happened in Saskatchewan in connection with social services. I should not like to have anyone tell anyone else about this, but they tell us out in Saskatchewan that, in connection with social services, the upkeep of the hospitalization plan is provided by contributions of the people; that is, there is a hospitalization fee in connection with the operation of that social service. They tell us that there is a law on the statute books of Saskatchewan to the effect that if anyone refuses to pay that hospitalization fee, he must either pay a fine or go to jail. I believe that is one of the things we should like to eliminate in this country of ours, in order that we would have nothing in connection with our social services that would lead one to believe that if one was not in a position to pay the required fee, or refused to pay it, a jail penalty would be imposed. We should like to have a social service that would be so comprehensive and be held in such high esteem by all the people of Canada that no one would need to attach a penalty of that kind to the law. With the co-operation of all the members in this house in what they may determine would be for the best interests of Canada, and in order that everyone regardless of where he is within this dominion of ours could obtain the benefits of the plan, we should like to associate ourselves with a resolution that would bring that about. In the meantime there are those people who now are under various social service schemes in connection with industry; and incidentally, perhaps those schemes could be enlarged in industry whereby the individuals who are now obtaining the benefits of what industry offers could go even further to make it possible that those people working in industry could all be sharers in industry and thus eliminate much of the difficulty not only in connection with the upkeep of their social services but also in connection with their whole manner of living as well.

When we compare ourselves with others anywhere in the world, as the Minister of National Health and Welfare has said, we should not be satisfied with having the best that there is anywhere. We are all interested in improving our system, and all would be willing to support a resolution that will make this possible. I would suggest to the opposition that they withdraw their resolution and put one before us that we can support, and as a result of which we will have a happier country in which to live.

Mr. Thatcher: I should like to ask the hon. member a question. Does he know anyone who has been thrown in jail because he would not pay this bill or could not pay it? If it is a case of someone not wanting to pay it but who is able to pay it, that is all right. But I do not think anyone was thrown in jail because he could not pay it.

Mr. Ferrie: Nevertheless it is the law.

Mr. Thatcher: But no one has been thrown in jail if he said he could not pay the bill.

Mr. Studer: I do not think I said that anyone was thrown in jail. I said there was a law that made it possible for one to go to jail if he refused—and I used the word "refused"—to pay the hospitalization fee. Is that not right?

Mr. Thatcher: Yes. But no one who is in need is prosecuted, and no old age pensioner or anyone similarly circumstanced.

Mr. Studer: I should not like to have written into *Hansard* what I know, but there are some people who have lived in Saskatchewan—

Mr. Cruickshank: Let it be written in. The hon. member who has asked the question does not know.

Mr. Studer: He should.

Mr. Thatcher: I think the hon. member wants to be fair.

Mr. Studer: I want to be fair. I want to make it clear that no one may have gone to jail or may ever go to jail, but it is the law just the same.

Mr. Bryce: You go to jail if you do not pay your taxes.

Mr. J. H. Dickey (Halifax): I have followed this interesting debate with great care, Mr. Speaker. If it has proved anything, it has proved the correctness of the statement made by the hon. member for Vancouver-Quadra (Mr. Green) when he pointed out that the members of all parties in this house are sincerely interested in the basic tenet of this resolution, namely the expansion of social security in this country. Certainly no party has been in a position to give more complete and more concrete proof of this intention than has the Liberal party. I should like to compliment the minister on his fine though necessarily brief resume of the present social security system in this country, for which the Liberal party and the present government are almost completely responsible. It was somewhat amusing to hear the hon. member for York South (Mr. Noseworthy) state that the Liberal government was in the habit of withholding its advances in social security until the time of an election.

Mr. Noseworthy: That is right.

Mr. Dickey: Of course, Mr. Speaker, the Liberal government has been in the happy position of putting in so many of these social security measures that it would be a physical impossibility to have avoided completely the possibility of a criticism of that kind. We are fortunate that we are not in the position of the C.C.F. party.

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but it is now eleven o'clock.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we shall move up the two resolutions in the name of the Minister of Justice (Mr. Garson), the one with regard to the Judges Act and the other with regard to the Royal Canadian Mounted Police Act. Then the Prime Minister (Mr. St. Laurent) will move the resolution dealing with the appointment of a chief electoral officer. In committee we will study Bill No. 2, to amend the Supreme Court Act. Later we will take Bill No. 8, to amend the Exchequer Court Act, and then Bill No. 9, to amend the Department of Justice Act. At some stage we will move to go into committee of supply, and will call in five new departments.

Mr. Knowles: Five?

Mr. Fournier (Hull): It is the only day in the week on which we can move to go into supply, having regard to these private members' days. Last week we could not even do that. I feel that we need a good many departments in if we want to make some progress with the estimates.

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

HOUSE OF COMMONS

Tuesday, October 4, 1949

The house met at three o'clock.

BUSINESS OF THE HOUSE

THANKSGIVING DAY ADJOURNMENT

Right Hon. L. S. St. Laurent (Prime Minister): In accordance with the undertaking I gave the house yesterday, and with, I assume, unanimous consent, I should like to move, seconded by the Minister of Agriculture (Mr. Gardiner):

That when this house adjourns on Friday, the 7th instant, it stand adjourned until Tuesday, the 11th instant.

Motion agreed to.

JUDGES ACT

AMENDMENTS RESPECTING SALARIES, TRAVELLING ALLOWANCES, ETC.

Hon. Stuart S. Garson (Minister of Justice) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to amend The Judges Act, 1946, to increase the salaries of the judges of the Supreme Court of Canada and to provide salaries for an increased number of judges of the Supreme Court of Ontario; also to amend the present provision respecting travelling allowances to a judge of the Supreme Court of New Brunswick.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

ROYAL CANADIAN MOUNTED POLICE

INCREASE IN REFUND PAYABLE IN RESPECT TO PRIOR SERVICE BEYOND MAXIMUM PENSION PERIOD

Hon. Stuart S. Garson (Minister of Justice) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to amend the Royal Canadian Mounted Police Act by increasing the amount of refund payable to members of the force in respect to prior service in a provincial police force where they were retained in the force beyond the maximum period of service that may be counted for the purpose of computing a pension.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

CHIEF ELECTORAL OFFICER

APPOINTMENT OF NELSON JULES CASTONGUAY

Right Hon. L. S. St. Laurent (Prime Minister) moved:

Whereas the office of chief electoral officer has become vacant by resignation of Jules Castonguay;

And whereas subsection two of section four of the Dominion Elections Act, 1938, provides that in the event of a vacancy in the office of chief electoral officer the vacancy shall be filled by resolution of the House of Commons;

Be it therefore resolved, that Nelson Jules Castonguay, executive assistant to the chief electoral officer, be and he is hereby appointed chief electoral officer.

He said: Mr. Speaker, in submitting this motion for consideration of the house I wish to say first of all how much we regret the illness which necessitates the resignation of Mr. Jules Castonguay from the office of chief electoral officer. For twenty-two years Mr. Castonguay has held that office, and I believe everyone will admit that during those years he has done a thoroughly good job. Through five general elections he has supervised our electoral machine, and at times this supervision has kept him and his small office staff working almost day and night. Even between elections he and his few associates have been kept busy with plenty of routine planning and revision work.

Mr. Castonguay's work as chief electoral officer has not been without its endless worries, inquiries and sometimes protests. But through it all he has displayed a remarkable impartiality. In my eight years of public service I have yet to hear a word of adverse criticism of Mr. Castonguay's handling of the many electoral problems with which he has been faced. To him we owe many of the laws which govern Canada's voting—laws which have been studied by other countries of the commonwealth, and copied in other countries of the commonwealth and elsewhere.

Canada is indeed fortunate in having been served so faithfully and so long by Mr. Castonguay. He has discharged his duties with distinction, and with credit not only to himself but also to the office which has been his, and to the public service at large. I am sure every member of the house would wish you, Mr. Speaker, in conveying to Mr. Castonguay this tribute of our appreciation of his public service, to extend to him also our best wishes for his speedy return to health so that he may enjoy many years of well-earned rest, freed from the cares of that office.

Chief Electoral Officer

Mr. Jules Castonguay's resignation, coming as it does just prior to the forthcoming by-elections, necessitates the immediate appointment of a successor. Since 1934 Mr. Nelson Jules Castonguay, his son, has been in his father's office, and for the last few years has been his father's righthand man. In 1941 his work was interrupted when he entered the navy. As a wartime naval officer, rising from the rank of probationary sublieutenant to that of lieutenant commander, he served on two destroyers and became captain of a frigate. Shortly after returning to Ottawa and to his father's office he was promoted to his present position of executive assistant to the chief electoral officer. It is my opinion, and one which I am sure many will share, that his promotion would probably have been more rapid had he not been Mr. Jules Castonguay's son.

As executive assistant to his father, Mr. Nelson Castonguay served in an advisory capacity in matters having to do with preparations for Newfoundland's recent provincial election, as well as for the federal election which followed; and I am told he was largely responsible for the setting up of the electoral machinery in that province prior to that provincial election. I am told, too, that it functioned, as we would expect it to function with the good will of our new Canadian fellow citizens in Newfoundland, in an admirable manner.

Just this summer Mr. Nelson Castonguay travelled to Colombia, at the request of the government of that South American republic, to explain our electoral system to officials of their electoral court. As a result of these and other experiences in close association with his father, Nelson Jules Castonguay has become an expert in electoral matters under the kind of system we have in this country. It is my opinion that no one else has in the same degree the experience and knowledge necessary for the proper discharge of the duties of this responsible position.

It is particularly fortunate that we should find these qualifications in one who had such an excellent war record, and, if the house sees fit to adopt this resolution, not only shall we be expressing confidence in a competent public servant, but we shall be honouring the body of veterans of which he is a distinguished member.

Because of the large number of by-elections now in progress, as I have already intimated, the appointment of a successor to Mr. Jules Castonguay is urgent. Accordingly I move the resolution which you, Mr. Speaker, have read to the house.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I wish to associate myself with the remarks of the Prime Minister (Mr. St. Laurent) in regard to Mr. Jules Castonguay, and to express regret, which I am sure everyone will share, at his having found it necessary, because of ill health, to resign. Mr. Jules Castonguay has established a reputation not only for himself, but for our electoral system, in which all of us may share some measure of pride. I know all hon. members will join not only in extending best wishes to him for speedy recovery from his present illness, but also in expressing the hope that he may long be spared to enjoy the many associations he has made in all parts of the House of Commons, and in every section of Canada, by reason of the important responsibilities he assumed.

It does present a unique opportunity when we find that Mr. Castonguay's son, who has been associated with him, should have had the experience of executive assistant to his father in this very important work. I feel sure there will be general approval of the promotion to this office of one who, having acquired this background of experience, has demonstrated that he possesses high qualifications for the extremely responsible public position which carries with it the duty of making the electoral system of this great democracy work to the satisfaction of all our people.

Mr. Nelson Castonguay has shown himself a gallant Canadian in the service of his country in war, and has demonstrated his knowledge of the work in which he is about to engage. I trust that in the years ahead he will continue to uphold the high standards which have been established in the conduct of the business of that office.

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, on behalf of the Co-operative Commonwealth Federation group in the house I wish to concur in what has been said about Mr. Jules Castonguay, who for many years has been our chief electoral officer.

It was my good fortune to know Mr. Jules Castonguay fairly well because of my serving on nearly all the committees of the house on the Dominion Elections Act. I have also known him in connection with the conduct of elections. I am glad to associate this group with what has been said by the Prime Minister and the Leader of the Opposition, and to add that no one could possibly have been fairer than Mr. Jules Castonguay in all his dealings with the public. I regret that ill health, and perhaps advancing years, have compelled him to relinquish the duties of chief electoral officer, and I wish him many years of good health in which to enjoy his retirement.

Although I have met Mr. Nelson Castonguay in connection with the sittings of com-

mittees of the house, I do not know him quite as well. Since he was subordinate to the chief electoral officer, one did not have the same opportunity to judge of his qualities. But training under his illustrious father should be a good beginning for filling the responsible position to which he is to be appointed, and I wish him long life and much success in that office.

Mr. Robert Fair (Battle River): Mr. Speaker, on behalf of the Social Credit group I should like to associate myself with the Prime Minister, the Leader of the Opposition, and the hon. member for Vancouver East in what they have said in appreciation of the services of Mr. Jules Castonguay. Having been the representative of this group on the privileges and elections committee since 1936, I can truthfully say that we could not have had a better administrator of our election law than Mr. Castonguay. I found him to be very fair and helpful, and on many occasions he invited suggestions for the improvement of our election law.

During the past two years I have become acquainted with Mr. Nelson Castonguay, and I feel that he will give service similar to that which was rendered by his father. On behalf of this group I wish to express the hope that Mr. Jules Castonguay may soon be restored to health and able to enjoy the years to come. I should like also to express the hope that his son will continue to serve Canada as chief electoral officer for a considerable number of years.

Motion agreed to.

COLLECTIVE SECURITY

PACIFIC AREA—RECOGNITION OF COMMUNIST REGIME BY U.S.S.R.

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): I should like to address a question to the Prime Minister, in the absence of the Secretary of State for External Affairs. I believe there is considerable concern on the Pacific coast about the present situation in China, particularly having regard to the recognition of the communist regime by the soviet. There are press reports to the effect that conferences are being held between the countries of the commonwealth and the countries which are signatories to the Atlantic treaty. Can the Prime Minister tell us whether Canada is taking part in these conferences? Perhaps he will make a statement with regard to the situation.

Right Hon. L. S. St. Laurent (Prime Minister): I think it would be going beyond the ordinary meaning of words to say that a conference is being held. Discussions are in process among the members of the commonwealth, our associates in the North Atlantic pact, and others who are concerned in the Pacific situation. As soon as any decision has been reached, the Secretary of State for External Affairs will make a statement to the house as to the conclusions arrived at; or, if he is not present at the time, the statement will be made either by the Acting Secretary of State for External Affairs or by myself.

FRUITS AND VEGETABLES

SUSPENSION OF RESTRICTIONS ON IMPORTATIONS —QUESTION AS TO DUMPING AND SEASONAL IMPORTATIONS

On the orders of the day:

Mr. G. K. Fraser (Peterborough West): I should like to direct a question to the Minister of Finance, or, if he cannot answer it, to the Minister of Agriculture. When the Minister of Finance stated on September 26 that all restrictions would be removed on the import of fresh fruits and vegetables, did that mean that the seasonal or dumping restrictions would also be removed?

Hon. Douglas Abbott (Minister of Finance): If my hon. friend heard the statement I made, he will recall that I said that only restrictions under the Emergency Exchange Conservation Act were being removed. Of course that would not cover the normal seasonal restrictions which exist under the Customs Act.

Mr. Fraser: On September 26 the minister said that the government had decided to suspend the present import restrictions on all kinds of fresh fruits and vegetables. There was some doubt in the minds of members of the Canadian Federation of Agriculture and many others in regard to this, and I thought it should be clarified.

Mr. Abbott: If there is any doubt, I am glad to clear it up.

HOUSING

FRASERVIEW PROJECT, VANCOUVER—HEATING EQUIPMENT

On the orders of the day:

Mr. Angus MacInnis (Vancouver East): I should like to direct a question to the Minister of Reconstruction and Supply. Has the minister received any protest from the retail fuel dealers of Vancouver in connection with the policy adopted by Central Mortgage and Housing Corporation of equipping most of the houses built in greater Vancouver with oil heating units? If so, is the minister prepared to make a statement in that regard?

Inquiries of the Ministry

Hon. Robert H. Winters (Minister of Reconstruction and Supply): The hon. member was good enough to send me notice of his question, and a copy of a telegram from the Greater Vancouver retail fuel dealers' association. The hon. member for Coast-Capilano (Mr. Sinclair) has also spoken to me in this same connection.

The only veterans rental housing project now under construction by Central Mortgage and Housing Corporation in Vancouver is the project known as Fraserview. Half of the 1,100 houses in this project will have basements. The houses with basements are heated by gravity hot air furnaces burning solid fuels such as wood, coal, sawdust, et cetera. Houses without basements, because of limited storage area, are heated by under-floor heating units burning liquid fuels. It would add to the cost of the house to provide sufficient space in a house without a basement for the installation of a satisfactory solid fuel heating unit and storage of solid fuel. Married quarters being built for the Department of National Defence are equipped with heating units burning liquid fuels. In houses with basements, the heating equipment is of a type which can be converted to burn solid fuels.

ANSWER TO QUESTION BY MR. CHURCH ON MONDAY, OCTOBER 3

On the orders of the day:

Mr. T. L. Church (Broadview): Mr. Speaker, I have a matter which I should like to bring up in connection with an answer given in the house yesterday to a question standing in my name. I addressed a question to the Minister of Transport (Mr. Chevrier) who made a reply as reported on page 440 of *Hansard* of October 3. The minister made a touchdown assisted by the minister in charge of housing, but he forgot to inform the house that under the Railway Act—

Mr. Speaker: Order.

Mr. Church: I can bring this up on the motion to go into supply; perhaps that would be better.

PUBLIC BUILDINGS

SITE FOR PROPOSED CONSTRUCTION IN CHARLOTTETOWN

On the orders of the day:

Mr. W. Chester S. McLure (Queens): I should like to direct a question to the Minister of Public Works. As I have just received the communication to which I shall refer, I was unable to give the minister notice, so he can answer the question tomorrow. A number of land owners, home owners and tenants have written me about their properties and leases in the section of Charlottetown where the new dominion buildings are to be erected. When will the department or the government make a definite statement about these properties, so that these land owners, home owners and tenants can make arrangements for other locations in the future?

Hon. Alphonse Fournier (Minister of Public Works): As soon as possible.

CANADA LAND AND IRRIGATION COMPANY

REPORTED PURCHASE BY FEDERAL GOVERNMENT

On the orders of the day:

Mr. W. D. Wylie (Medicine Hat): I should like to direct a question to the Minister of Agriculture, based upon reports which appear in the Medicine Hat *Daily News*, and the Brooks *Bulletin*, which I have just received. My question is—

An hon. Member: Where is that?

Mr. MacInnis: Not in the Fraser valley.

Mr. Speaker: I must ask hon. members to allow the hon. member to put his question.

Mr. Wylie: Both papers report that the dominion government has purchased the Canada Land and Irrigation Company. Is the Minister of Agriculture in a position to make a statement?

Right Hon. J. G. Gardiner (Minister of Agriculture): The present position is that negotiations are being carried on now in the city of Regina in connection with the purchase of the Canada Land and Irrigation Company.

Mr Wylie: Obviously the newspaper reports are either true or false. May I ask the minister what is the truth?

Mr. Gardiner: I do not publish either paper.

LABOUR CONDITIONS

UNEMPLOYMENT—PAYMENT BY FEDERAL GOVERNMENT OF SHARE OF RELIEF COSTS

On the orders of the day:

Mr. W. Ross Thatcher (Moose Jaw): I should like to direct a question to the Minister of Labour—I have been asked to do so by the city council of Moose Jaw. In view of the increased number of people drawing relief in certain parts of Canada, and the heavy burden thus placed upon municipalities, has the government given consideration to paying a share of relief costs as was done prior to the war?

Mr. Speaker: Order. I could not hear the question, but in any event I would inform the hon. member that if he has a question to ask he should ask it as briefly as possible.

Mr. Cruickshank: Don't make a speech.

Mr. Thatcher: I was not going to make a speech.

Mr. Cruickshank: What are you doing now?

Mr. Thatcher: Then I will put my question. Has the government given consideration to paying a share of relief costs as was done prior to the war?

Hon. Humphrey Mitchell (Minister of Labour): The Department of Labour is watching the unemployment situation very carefully. Through reports from the national employment service and the unemployment insurance returns, a close check is kept on the employment situation in Canada. At the present time there is a very high level of employment. The last figure we have is for June 4, 1949, when there was a total of 5,121,000 in the labour force. On the same date in 1948 the figure was 5,030,000. This is the latest month for which we have comparative figures.

There is not as acute a demand in Canada this fall for some types of workers as there was last year, and there is an increase in the number of unplaced applicants. In September, 1948, the total number was 87,207, whereas on the same date in 1949 the total was 140,892. But the hon. member will agree, I am sure, that with a total working force of over five million the number of unplaced applicants, even at 140,892, is not high in a comparative sense.

Representations have been made by two of the larger cities, one in eastern Canada and one in the west. From an examination of the statements made, I know that the concern is not about the immediate expenditure on relief but about what certain individuals feared was going to happen. It is my opinion that we have very little to fear, and that we shall be able to maintain a high level of employment in Canada.

Mr. Thatcher: Will the minister state whether at the forthcoming dominion-provincial conference the matter of relief costs will be discussed with the provinces?

Mr. Speaker: Order. I hardly think that is a question of urgency at the moment.

Mr. Cruickshank: Are there any unemployed members of parliament from Moose Jaw? If not, why not?

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed, from Tuesday, September 27, consideration in committee of Bill No. 2, to amend the Supreme Court Act—Mr. Garson—Mr. Dion in the chair.

Supreme Court Act

On section 1—*Constitution of court.*

(*Translation*):

Mr. LaCroix: Mr. Chairman, I move that clause 1 of the bill be amended by the addition thereto at the end of section 4, substituted for the one that is now repealed, of the following words:

Provided that four of the puisne judges be chosen among the candidates proposed by the lieutenant governor in council, and that one of the four above-mentioned judges be chosen among the candidates proposed by the lieutenant governor in council of the province of Quebec, each province having to propose at least three candidates.

Of course this does not amend section 6, but merely section 4. I consider that under this amendment at least one of the judges provided for by section 6 will be chosen among those proposed by the government of the province of Quebec.

(*Text*):

The Chairman: As I have no translation of the amendment, I will ask the Deputy Clerk to supply me with one, and I will read it.

Section stands.

On section 2—*Appeals from final judgments.*

The Chairman: Shall section 2 carry?

Some hon. Members: Carried.

Mr. Fulton: Mr. Chairman, did you call section 2?

The Chairman: Yes.

Some hon. Members: It is carried.

Mr. Fulton: We did not hear section 2 called.

Mr. Green: I should like to ask a question on subsection 2 of section 1. I understand that this is the one which amends section 6 of the act. The new section provides that three at least of the judges shall be appointed from among the judges of the court of king's bench, or of the superior court, and so on.

Mr. St. Laurent: That is section 1, and it has been allowed to stand. We are dealing with section 2 of the bill.

The Chairman: All of section 1 stands. Shall section 2 carry?

Section 2 agreed to.

On section 3—*Judgment to be final.*

Mr. Fleming: Mr. Chairman, I think you just said that clause 1 stands and clause 2 is carried. I thought it was the other way round.

The Chairman: Section 1 stands. Section 2 is carried.

Mr. Fleming: I did not understand that was what the Prime Minister said just now.

The Chairman: Order. I gave the floor to the hon. member for Kamloops but he did not take it, so I gave it to the hon. member for Grand Falls-White Bay.

Mr. Ashbourne: While we are dealing with section 3 of the bill I should like to direct a question to the Minister of Justice. Under this section appeals to the privy council are to be abolished. Would this in any way affect the decision of the privy council of March, 1927, relating to the delimitation of the Newfoundland-Labrador boundary?

Mr. Garson: The answer to the hon. member's question is no; but if that reply were left upon the record by itself it might not answer the question as fully as it should be answered. For that reason I think perhaps it is desirable to make a statement upon the rather important point the hon. member has raised.

In the application of the rule of *stare decisis* it is what lawyers call the *ratio decidendi,* or the principle of the case, which binds. By the application of the principle of the case to the facts of the case the issue of the case is decided. When the issue has been decided it becomes what lawyers call *res judicata,* or an adjudicated matter, and as such it is forever binding upon the parties to the case. It cannot subsequently be opened up, even though the principle upon which the *res judicata* or adjudicated matter was decided may be distinguished or overruled by a subsequent judgment of the same court in another case.

Therefore when the privy council rendered its judgment in the Quebec-Labrador boundary dispute it fixed the boundary, as far as it is possible legally to do so, between Labrador and Quebec, and thereupon that matter became *res judicata,* so the parties to that controversy are forever bound by the terms of this judgment. But in any case the boundary between Labrador and Quebec has been fixed by the terms of union between the province of Newfoundland and Canada. Not only do the terms of union state that the province of Newfoundland shall comprise the same territory as at the date of union; they go on to expressly adopt the privy council judgment. Moreover, provincial boundaries generally are protected by the British North America Act, 1871, which requires the consent of the legislature of a province before the boundaries of that province may be altered in any way.

I understand the boundary line has not yet been marked out or surveyed, and I believe that was one of the points raised by the hon. member for St. John's East in his remarks the other day. In this respect, however, I would say the Newfoundland boundary does not differ from the boundaries of some other provinces. The process of marking out provincial boundaries in Canada has been continuing ever since the provinces were formed, and conceivably some unsurveyed boundaries still remain, including this one now under discussion. Obviously the legal limits must be established before the actual boundary line can be marked out on the ground; and in the course of marking a boundary line it is conceivable that there may be differences of opinion as between surveyors or engineers as to how the actual line on the ground should be drawn. Should any such disputes arise they can be settled by the courts; and in deciding any particular dispute the courts of course would be bound by the privy council decision and the terms of union. In delivering the judgment of the privy council in this boundary dispute case Lord Cave, in 137 Law Times Reports, 187, at page 200, said:

> . . . the boundary between Canada and Newfoundland in the Labrador peninsula is a line drawn due north from the eastern boundary of the bay or harbour of Ance Sablon as far as the fifty-second degree of north latitude, and from thence westward along that parallel until it reaches the Romaine river, and thence northward along the left or east bank of the river and its headwaters to their source and from thence due north to the crest of the watershed or height of land there, and from thence westward and northward along the crest of the watershed of the rivers flowing into the Atlantic ocean until it reaches Cape Chidley; . . .

Mr. Fulton: The remarks of the minister have been of great interest to the committee and particularly, of course, to the members from the new province of Newfoundland and perhaps also those from Quebec. It would seem rather conspicuous that the minister did not deal at great length with this question of the principle of *stare decisis* in general terms. The matter was discussed during the debate on second reading, and I do not want to go over the ground covered at that time, but there are certain points which I think should be emphasized, and we feel the matter is so important that it should be incorporated in the bill by way of amendment to this section.

What the minister has just said with regard to *res judicata* is of course the general principle which is understood by lawyers, though perhaps not so well understood by those who do not belong to the legal profession. The simple principle, which is of great moment to every Canadian, is that the law as settled by previous decisions should be the law which applies and which is binding in future. That is a principle which, during the discussion on second reading, the Prime Minister said is acceptable. The first point I make, then, is that since that is acceptable there should be no objection to having such a principle incorporated in the bill, in order to place the matter beyond question.

I think it important that this should be done because of the statement by the chief justice to which reference was made during the debate on second reading, a statement which certainly gives rise to well-founded misgivings in the minds of those concerned with the preservation of this principle. That statement, as reported in the Ottawa *Journal* of June 2, certainly would seem to bring into question whether the supreme court would regard itself as bound by the previous decisions of the privy council in so far as they relate to Canada, after it is made the court of final jurisdiction for Canada.

So in the first place I say it is desirable to have that principle recognized. It is important, because of the statement to which I have made reference, that the principle should be incorporated in the bill. Furthermore there is no lack of precedent for such a step. In my own province of British Columbia we have it in our Laws Declaratory Act. Some may object that if the principle is recognized and applied by the courts there is no need to go the length of incorporating it in the statute. My answer in part is what I have already stated, but in addition there is precedent for that being done in the statutes of most of the provinces of Canada.

Mr. Garson: Is not what my hon. friend is referring to in the case of British Columbia, and Manitoba as well, the setting up as of a certain point of time—July 15, 1870, in the case of Manitoba—of a whole body of law to apply to a new province coming into being? Now that, I suggest to him, is a very different thing from putting a provision in the Supreme Court Act directing the supreme court to apply the rule of *stare decisis*.

Mr. Fulton: I do not think so, Mr. Chairman; it seems to me the provisions are the same. Up until that time the province of Manitoba, to take the case referred to by the minister, had been a part of Canada and had, therefore, presumably been under the laws of Canada. But not only were we creating a new province, we were setting up courts to administer justice within this province. It was then thought important to lay down the theory that the courts would be bound by the law as it existed at a certain date. I submit the parallel is very close. We are not setting up a new court, but we are investing the Supreme Court of Canada with final jurisdiction in all cases arising within Canada. I submit that, by the same line of reasoning as was followed in the earlier cases, we should provide that the court will be bound by the law as it was declared to be in the judgments of the privy council which, until now, has been the final court to which these questions were referred.

I should like to read the provision of the Laws Declaratory Act of the province of British Columbia. It does not say the law of British Columbia, a new province, shall be the law as it existed on a certain date, but it says the new courts which were being set up would be bound by the law.

Subsection 6 of section 2 of the Laws Declaratory Act of the province of British Columbia, found in the Revised Statutes of British Columbia, (1948), volume 2, reads as follows:

> Subject to the aforesaid provisions for giving effect to equitable rights and other matters of equity in manner aforesaid, and to the other express provisions of this Act, the court and every judge thereof shall recognize and give effect to all legal claims and demands and all estates, titles, rights, duties, obligations, and liabilities existing by the common law or by any custom, or created by any statute, in the same manner as the same would have been recognized and given effect to in the court if this Act had not passed.

It will be seen that the court itself was to be bound by the law as it existed at the time this act was passed.

Mr. Garson: That was on the occasion of the setting up of a new province.

Mr. Fulton: The law was declared to be the law as of April 29, 1879. What we are doing here is investing the Supreme Court of Canada with final jurisdiction. It cannot be denied, therefore, that we are altering either the jurisdiction or the competence of that court. In the absence of an express statutory provision to the contrary, it would be open to the court to say, "We are now the court of final jurisdiction for Canada." Perhaps it would not be said directly but indirectly—the chief justice has said it directly—"We feel that the decisions of the privy council are the decisions of a court four thousand miles away. We have a different set of circumstances." There is nothing in the remarks of the chief justice to indicate that he was referring only to decisions in cases that did not arise in Canada. His remarks have equal application to privy council decisions in cases coming from Canada as well.

That remark, which was made in the course of a case before the court, certainly indicated that the court would feel itself free to branch out into entirely fresh law. Since we believe it is so important that the people of Canada should know the state of the law, in the interests of uniformity of decisions in the future as in the past, we feel some provision must be incorporated into the act to the effect that the court is bound by the law as it was stated to be in the previous decisions of the privy council. I want to observe that such a provision in no sense puts a court in a strait-jacket. It certainly has not put our

courts in the west in a strait-jacket because there was a provision stating the law would be the same as it was prior to April 1, 1879.

As the minister has said, cases can be and probably will be distinguished. Where the facts are clearly distinguishable, then decisions will vary. I believe it is important to the people of this country and particularly the provinces of this country whose rights, not only as against the dominion, but as against each other have, in the past, depended upon and been settled by the decisions of the privy council, that those provinces should know that the principles which guided the privy council in coming to its decision shall continue to bind what is now to be the court of final jurisdiction in Canada.

This is not a dry legal question. It is a question that affects the welfare and interest of every private citizen as well as of our different governments, provincial and federal. The Prime Minister having accepted the principle, I submit that the wording of the amendment I am now about to move gives no more than formal recognition of that principle and carries it into the wording of this statute. I therefore move, seconded by Mr. Fleming, that section 3 of Bill 2 be amended by inserting immediately after line 17 on page 4, the following, to be numbered as subsection 4 of section 54 of the act:

> Subject to any enactment of the parliament of Canada or the legislature of any province in exercise of their respective powers, the Supreme Court of Canada shall be bound by the law as declared in all orders of His Majesty in council hitherto made on the advice of the judicial committee of his privy council and in the reasons assigned therefor by the said judicial committee, in so far as the said law is applicable to Canada.

If I may continue for a few moments, Mr. Chairman, the committee will observe, and I direct the minister's attention to this particularly, there is no attempt being made to impose upon the court or upon this dominion a static set of laws. If at any time it may properly be felt that a law as it was declared to be in a particular decision is restrictive or hampering, it is quite open, as it obviously must be, for this parliament, or the legislature of a province acting within its proper sphere of legislative power, to enact a statute amending the law and bringing it more into line with what is felt to be the need under those circumstances.

In considering the detail of this amendment, the second point to be observed is that it is only the law as declared in those decisions of the privy council made heretofore which have a bearing upon the law as it is applicable in Canada which, by this amendment, we are seeking to declare binding on the Supreme Court of Canada in its future deliberations. I think it will be seen that we have safeguarded here against the possibility that those whose rights, duties and obligations have been settled in the past by the law as declared by the decisions of the judicial committee of the privy council will suddenly find those rights, duties and obligations, whether they be of private citizens or of provincial governments or of the federal parliament, changed overnight. I have sought to safeguard against that and at the same time to take care not to impose upon the court or the parliament of Canada or the legislature of any province a legal strait-jacket by making it perfectly clear that parliament or a legislature can, should it so desire, enact legislation changing the law as it was declared to be in the previous decision.

Mr. Pouliot: What the hon. member for Kamloops has said reminds me of Swift the author of "Gulliver's Travels". Once Gulliver went to Lilliput. He was tired. It was a long journey. He lay down to sleep, and then all the dwarfs came with twine and tied Gulliver to the soil. He could not move. What does my hon. friend think of the independence of the supreme court? Where does he put it? How can we think of a court of any kind that will be tied up with the past? It would be impossible for judges to make their own decisions about matters which will come before them.

Mr. Fulton: May I ask my hon. friend whether he is in accord with the principle of precedents?

Mr. Pouliot: I will tell my hon. friend to be quiet and to listen to what I have to tell him. I listened in silence to what he was saying, and I want to have some clarification of his idea, which I have not received so far. He was very obscure in his language. I understood from what he said that he expressed the view that the supreme court will be tied by all the long line of precedents of the privy council. All the bad judgments of the privy council will be imposed forever on the supreme court. Is he serious? He cannot be serious. A lawyer of his experience and standing talking such nonsense in the House of Commons is something unbelievable. I never thought that my hon. friend, who is well gifted, who is one of the best debaters of his party, the ranks of which were decimated on June 27, but who is nevertheless a legal light—that time the light was out—would use such an argument. It is unfortunate, but I cannot conceive of any court which is the final tribunal of this land being subject to all the precedents of the past, all the bad as well as all the good judgments rendered by the privy council. My hon. friend will admit that the privy

council has rendered sometimes good and sometimes bad judgments. Where will be the line of demarcation between good and bad judgments?

Mr. LaCroix: For instance, the Labrador decision.

Mr. Pouliot: How can he put it on the statute books? I leave this matter aside for the time being. I do not discuss the Labrador case at all. I discuss the whole thing as a matter of principle. If it is enunciated and put on the statute books as a matter of principle that the supreme court will be tied up in the future by the precedents of the privy council, I say to the hon. member for Kamloops that it is sheer nonsense.

Mr. Brooks: The hon. member does not agree with the barristers' society of Canada.

Mr. Pouliot: I do not agree with the law society of upper Canada or of lower Canada or of the maritimes or with the Canadian Bar Association, and I shall tell the committee why. On one occasion I was with one of my friends from the Quebec bar. At the present time he is a cabinet minister in the Quebec government. He is a criminal lawyer of note. I refer to Mr. Rivard. I was sent by the general council of the Quebec bar to what was called a conference on the uniformity of laws, or something like that, held in Niagara Falls. We met there together, and we met all the somnolent deputy attorneys general of Canada. They were pleasant gentlemen of a certain age who could go to sleep very easily. We had a round-table discussion, and it was precisely a week before the convention of the Canadian Bar Association. The attorney general of British Columbia was there. He was a friend of my hon. friend. I will not mention his name because he is dead now. He was a prominent Tory and a great legal light of British Columbia. There were others there. We discussed several matters that were to be submitted to the provinces. They called it draft legislation, and they submitted it every year. It was a pretext for meeting a week ahead of the Canadian Bar Association's meeting. They were all there. Their expenses were paid by the provinces. It was quite happy and glorious inasmuch as one could be happy and glorious in his sleep. They were redrafting certain laws by changing a comma into a semicolon, and other important things. It was done in great solemnity. It was a tremendous job, and finally one of the legal luminaries from British Columbia, and some others from other provinces, decided that there should be a new section placed in the Criminal Code. My friend, Mr. Rivard, was on that committee. He had his code in his hand and he listened to the argument that it was in the public interest, and that there was great necessity to draft a new section of the Criminal Code. There they were. They worked hard. They were sweating. It was a very hot day. The weather was hot in Niagara Falls. Sometimes there was a word of wisdom and an odd suggestion that would come from the august lips of the deputy attorneys general. They were arguing, they were discussing and they were submitting new reasons for new sections. They were changing a word, adding another word, changing a comma into a semicolon and a semicolon into a comma, or putting a period in the middle of a sentence, and it was very well done. Finally, Mr. Rivard came with his Criminal Code and with the amendments, and he said to the illustrious lawyers: "Is not that article already in the Criminal Code?" That was prior to the meeting of the bar association.

I can tell my hon. friend the reason why the Canadian Bar Association has insisted so much on the maintenance of appeals to the privy council. It is because those who go to the privy council are the heads of the organization. That is the whole story. I do not believe in it. I do not believe in the privy council at all. I have read their judgments pretty carefully, and I am ready to take a chance on the supreme court. I hope that the amendments suggested by my hon. friend will be turned down at the earliest possible moment.

Mr. Fleming: The hon. member for Temiscouata has just finished pronouncing the judgment of extinction on one legal light of this house, as he describes him. I am afraid at the same time he cut a very wide swath because he nearly pronounced judgment of extinction on one other very distinguished legal light in this chamber who sits on the other side. I refer to the Prime Minister. If my hon. friend will refer to *Hansard* for September 23, at page 197, the second column, he will find the Prime Minister has expressed himself as being fully in support of the application to the Supreme Court of Canada of the principle of *stare decisis*. He made specific reference to that particular branch of the resolution passed by the Canadian Bar Association at its meeting last summer, as follows:

(g) that the rule—

And the Prime Minister is quoting it at this point—

—of *stare decisis* ought to continue to be applied with respect to past decisions of the court—

That is, the supreme court—

—as well as—

And I ask my hon. friend and other hon. members to note this well—

—with respect to past decisions of the judicial committee.

That is the resolution passed by the Canadian Bar Association. The Prime Minister's comment immediately upon it is—

That is something with which I entirely agree.

We have now the opportunity with respect to this principle of making a choice between the view expressed by the hon. member for Temiscouata and that expressed by the Prime Minister. For my part, I begin with an acceptance of the principle laid down by the Prime Minister which, if I may speak with respect, I conceive to be perfectly sound. That is to say, if we are going to have an orderly system of jurisprudence, if litigants, whether they be provinces or individuals, are to know what the law is, and that the law as declared by the courts is to be binding until overruled by parliament or by a legislature, this principle of *stare decisis* must have recognition.

The Prime Minister has said that he shares the view expressed by the bar association, that the principle of *stare decisis* applies to decisions of the privy council up to this date.

I should like to direct my observations for a moment, if I may, to those members of the house who are not lawyers, because there is always a very great danger in discussion of a measure of this kind that many members, especially when they hear a few Latin expressions hurled around, such as *stare decisis* and *ratio decidendi,* will say, "Oh well, this is all a fog; what does it all mean?". I should like briefly to deal with the meaning of *stare decisis.*

When we are talking about the principle of *stare decisis* we are simply talking about the recognition of precedent—that is to say, past decisions in matters germane to the subject under discussion before the court. For instance, where the privy council at any time past has made a decision, we will say on an appeal from a provincial court—let us say the Supreme Court of Ontario—or it may be from the Supreme Court of Canada, the decision of the privy council on that matter is the law. It is the law until that law is changed by the competent legislature which, in some cases, might be the parliament of Canada and in other cases might be the legislature of a province concerned. Until the competent legislature or parliament intervenes to say that the law shall be otherwise than as declared in the highest court, that law as declared in the highest court is final. The courts must follow that decision. It is precedent; it is binding. That decision must be followed whenever it is applicable.

That is to say, so long as the principle involved in the case is the same principle that is at issue in the case at bar, and so long as the facts in the case at bar bring it within the scope of the decision or, as we say, within the four corners of the decision in that highest court, it is accepted as a precedent.

Mr. Lesage: Would the hon. member permit a question? Would he tell me if he contends that this principle of *stare decisis* applies to the civil law in Quebec?

Mr. Fleming: It is quite obvious that a decision of the privy council on a common law question has no application to civil law in Quebec.

Mr. Lesage: No, on a civil law question.

Mr. Fleming: Because you are under a quite different system of law.

Mr. Lesage: Does the hon. member contend that a decision of the privy council respecting the civil code of Quebec is binding?

Mr. Fleming: My hon. friend knows perfectly well that, if a question came before the Supreme Court of Canada respecting the interpretation of the civil law of Quebec, and an appeal were taken from there to the privy council, the decision of the privy council would be binding, yes. The decision of the privy council would be binding.

Mr. Lesage: But what about other cases?

Mr. Fleming: It would be binding in courts which are applying the civil law in the same circumstances.

Mr. Lesage: No.

Mr. Fleming: That is the principle of *stare decisis,* and that is the law.

Mr. Lesage: It is not the law in Quebec.

Mr. Fleming: I would point out that that is the principle upon which the courts proceed, and that principle has not been challenged—the principle of *stare decisis,* the principle of the binding effect of a precedent. That is the situation with which we are faced today.

When this bill becomes a statute we are saying, in effect, that the privy council is no longer the court of final appeal. The Supreme Court of Canada, which hitherto has not been the court of final appeal, then becomes such court of final appeal.

The next question is this: Is the Supreme Court of Canada hereafter to be bound by decisions of the privy council—not decisions in the future, because they are not involved here at all; not decisions made from this point forward. Is it to be bound by decisions of the privy council to date, decisions of the privy council which to date are the law of this land?

Nothing is being done to change the law. I dare say—and I am not making a bold guess at this—that if one were to consult the jurists of this country he would find that very few of them would say that even in the face of the adoption of the present bill the principle of *stare decisis* would not continue to be binding, that the decisions of the privy council to date would not continue to be binding upon the Supreme Court of Canada, even if this enactment comes into effect.

But this parliament cannot leave that subject in the realm of conjecture or uncertainty, because we have no less a pronouncement than that of the Chief Justice of Canada himself on that subject.

Mr. St. Laurent: Would the hon. member allow me to interrupt? I do not think I should permit that to go unchallenged. I have discussed with the chief justice the report appearing in *Hansard* and the facts are that this had to do with a recent decision in England dealing with a matter of seditious libel. It was being argued that that decision was binding upon the Supreme Court of Canada. His opinion was that it was not, because for many years now the Supreme Court of Canada has been the final court in criminal matters in this country. The question which arose then was merely whether the Supreme Court of Canada was to be bound, since it has become the final court in criminal matters, by decisions made elsewhere, by courts in another country, on similar criminal matters.

What he stated—and he does not admit that the newspaper report as cited at page 286 correctly reported what took place there—was that it was merely a reassertion of the opinion he had expressed four years ago, and which is reported in the Supreme Court Reports for 1945 *in re* Storgoff where, at page 538, he states:

> In addition to that, the Supreme Court of Canada is now the court of last resort in criminal matters; and although, of course, former decisions of the privy council, or decisions of the House of Lords, in criminal causes or matters, are entitled to the greatest weight, it can no longer be said, as was affirmed by Viscount Dunedin, delivering the judgment of their lordships in Robins v. National Trust Company Limited (4) at page 519, that the House of Lords, being the supreme tribunal to settle English law, the Colonial Court, which is bound by English law, is bound to follow it.

It was merely distinguishing between the effect on a court of last resort of a decision made by another court of last resort and saying that decisions made elsewhere by another court of last resort were entitled to the greatest weight as authorities but had no legally binding effect upon another court of last resort. I think it is only fair to the chief justice that the impression should not go abroad that he is in any way quarreling with the proper application of the doctrine of *stare decisis*.

Mr. Fleming: I thank the Prime Minister for making the statement he has and giving us the assurance he has in connection with the interpretation placed by certain newspapers upon the views expressed by the chief justice. Those newspaper reports have had a disturbing effect upon the minds of many people including members of this House. One can understand the views of the chief justice in connection with a case such as that explained by the Prime Minister. It is now quite clear and understandable and I again thank the Prime Minister for making the statement at this particular time.

Leaving aside the statement by the chief justice to which we have been referring, and seeing that we seem to be in agreement as to the desirability of the continued recognition of the principle of *stare decisis* by the Supreme Court of Canada after this bill is in effect with regard to decisions hitherto made by the privy council in so far as they are applicable to Canada, the only question that could remain is whether such an enactment is necessary.

Mr. St. Laurent: Or advisable.

Mr. Fleming: I should like to deal with the first point with respect to the necessity of such a measure. If the Supreme Court of Canada is certain to recognize the decisions of the privy council which have been made up to the time this bill goes into effect, then presumably this amendment would not be necessary. But I am arguing that it is highly desirable that this amendment be inserted in the bill. Hon. members will recall the view taken by the Canadian Bar Association. After all, in matters of law, and this is a technical legal question, the views of the jurists of the country as represented in the Canadian Bar Association—and the association embraces not only practising lawyers but judges who participate freely in the discussions on legal questions—should receive consideration. That association has indicated in a resolution that this is a safeguard that ought to be written into the measure.

Mr. St. Laurent: If the hon. member will read the resolution I think he will find that it does not go that far. The resolution is merely to the effect that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court. There was no expression of opinion as to what should be done to have it continued to be applied; there was merely a statement that it ought to continue to be applied. I think on that point at least the hon. member and

I are in full agreement. I think if he reads the resolution he will not find any expression of desire that that be written into the law.

Mr. Fleming: I think the Prime Minister and I are on common ground to this extent. I did not intend to convey the impression that the bar association had said that they wanted an amendment in precise terms. What the bar association did say, and I think it is set out in plain terms, is that if parliament is going to proceed to abolish appeals to the privy council, then it should be done on certain terms, and one of those terms should be that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the judicial committee as well as with respect to past decisions of the court.

If we could be assured in advance that the supreme court will recognize the principle of *stare decisis* with respect to decisions of the privy council, then there would have been no need for the bar association to pass such a resolution. That would have been unnecessary because it would follow in any event. But what the bar association has said is that, if appeals to the privy council are going to be abolished, then—this is the plain meaning of the resolution—there should be assurance of the continuance of the rule of *stare decisis.*

How can you assure that continuance? I think it would be humiliating to the Supreme Court of Canada if parliament were to ask the court for an assurance of this kind in advance. Therefore, the body that is being called upon to abolish appeals to the privy council, the body to which the citizens of this country as well as the bar association under the clear terms of its resolution look for an assurance of guarantee of recognition by the Supreme Court of Canada of this principle of *stare decisis,* should provide for that continuance. If we wish to achieve now a guarantee of that continuance of the application of the principle of *stare decisis,* the only way to do it is by an amendment of this kind.

One who ought to have some knowledge of the intentions of the bar association with respect to this resolution has said something on this subject since the debate on the second reading of this bill commenced. I read from a Canadian Press dispatch from Saint John, dated September 28, reporting an interview with Mr. A. N. Carter, president of the Canadian Bar Association. This reads as follows:

A. N. Carter, president of the Canadian Bar Association said tonight in a statement that proposed federal legislation to make the Supreme Court of Canada the last court of appeal should contain a clause forbidding the court from reversing previous decisions.

"The rule of *stare decisis* ought to be continued to be applied with respect to past decisions of the court as well as with respect to past decisions of the privy council," the statement said.

The Canadian Bar Association, at its annual convention last month, suggested the bill, now passed second reading in the House of Commons, be delayed.

Though it is the practice for the Supreme Court to abide by the rule of *stare decisis,* Mr. Carter said, "it is not bound inflexibly to do so."

Such an enactment by parliament would safeguard provincial and minority rights, he said.

I submit that that statement is entitled to great respect. It is an authoritative interpretation by the president of the Canadian Bar Association of the intentions of that association as recorded in a resolution passed at its annual meeting less than two months ago. I want to ask hon. members, whether they be learned in the law or whether they follow other callings in life, to consider what could happen if the principle of *stare decisis* were not recognized in the future by the Supreme Court of Canada with respect to decisions hitherto made by the privy council. It is a matter of history that in the early days of the Supreme Court of Canada the trend of the decisions of that court in constitutional cases was in favour of the powers of this parliament. I do not say that that was improper, but the view taken by the court at that time had the effect of increasing the powers of parliament and of the dominion government in connection with matters which were in conflict as between the dominion and the provinces. In many instances those early decisions of the Supreme Court of Canada were reversed by the privy council. The emphasis placed by the privy council, as every student of constitutional law and constitutional history knows, was in the other direction.

The privy council decisions in the latter part of the nineteenth century and in the twentieth century were in favour of the enlargement of the powers of the provinces as those powers were debated in the courts. Had there been in those years no privy council to which appeals could be taken from the decisions of the Supreme Court of Canada, had the decisions of the Supreme of Canada been the final and binding interpretation of our constitution, we would have had a very different kind of constitution today from that under which we live, as interpreted by the courts including the privy council. We would have had a constitution, as a result of that interpretation, with great emphasis upon the powers of the central government and the powers of this central legislature, this parliament. You would have had a very great diminution in the powers of the provinces, their legislatures and their governments, compared with the powers they enjoy today as the result of these binding interpretations of the constitution.

In approaching the question of *stare decisis,* I ask hon. members not to regard it as some-

thing in the nature of the dry bones of the law. It is far from it. When you deal with the interpretation of the constitution of the country you are dealing with something that is of the absolute essence of our national existence. There are changes that should be made in the constitution of the country, and I shall be happy to discuss them at the proper time.

Mr. Hellyer: Do you think that the judicial committee of the privy council has, from the time of the passing of the British North America Act in its original form, followed the principle which you are now citing?

Mr. Fleming: They have professed to follow it. There are some nice questions that the constitutional lawyers like to discuss as to whether the principle has really been honoured, but nevertheless the privy council has professed to follow its own decisions. It is true that in some of the decisions in later years they have had considerable difficulty in distinguishing some of the earlier ones, but nevertheless there has been a recognition of the principle.

There are changes that ought to be made in the constitution, but the way to make them is not to throw overboard the principle of *stare decisis*. That would be something that would cut to the whole root of our constitution as we understand it in Canada today. If we are going to tackle that subject I submit we ought to find another way.

The Prime Minister may urge—and I take it in the light of his last remarks it is his view—that it is not necessary to insert an amendment in the bill that the Supreme Court of Canada shall follow the decisions previously made by the privy council. I hope it will until they are changed properly either by parliament or by the legislatures, whichever may have the required competence. This amendment of course does not attempt in any respect to invade the rights of the provinces or the legislatures, but let us be sure of this thing. This matter is too important to the whole national fabric of Canada to be left to any doubtful dispute. Why should we leave it to dispute? We are sitting today as the sovereign parliament of Canada. We are proposing that hereafter there should be no appeals of any kind from the Supreme Court of Canada to the privy council. We are proposing that the Supreme Court of Canada shall be the court of exclusive and final jurisdiction in all causes arising within Canada. It is the simplest thing in the world for a parliament that says that to go forward and do the thing that ought to be done to assure that there will not be any change in the established interpretation of the constitution unless it is carried out in the proper way by parliament and the provinces.

I think the amendment puts it as simply as it can be put, that the decisions of the privy council, which are binding today upon the courts of Canada under the principle of *stare decisis*, shall continue to be binding after the Supreme Court of Canada becomes the court of final and exclusive jurisdiction, saving always the right of change by parliament in matters within the jurisdiction of parliament, and saving the right of change by the legislatures of the provinces in matters falling within their jurisdiction.

For that reason I submit that the amendment is necessary, that there cannot be any objection to it by any member of the house who shares the view expressed by the Prime Minister as I read it from page 197 of *Hansard*, and that in doing this we are taking a step that is vitally necessary to safeguard especially the rights of the provinces.

Mr. Garson: First of all, I want to express my thanks and appreciation to the hon. member for Kamloops and the hon. member for Eglinton for the illumination which they have shed upon this subject. I think that the former in the language of his amendment has indicated clearly, for reasons that I shall state later, that we would be attempting to do something that is beyond our constitutional powers.

The hon. member for Eglinton has very properly expressed some concern as to the position of the lay members of the house in connection with this rather technical legal discussion. I think it would not be amiss if I were to attempt to review those points upon which the Prime Minister and the two hon. members to whom I have just referred, and myself seem to be in agreement. The first is that a decision of the privy council on a Canadian appeal is a conclusive interpretation or statement of the law. When it is delivered it becomes an integral part of the law of Canada, and it must remain an integral part of the law of Canada until the proper legislature changes it, or until it is reversed by the privy council itself. I am sure the hon. member for Kamloops and the hon. member for Eglinton will agree with that proposition.

Mr. Fleming: Entirely.

Mr. Garson: The question is whether we in this house have enough confidence in the Supreme Court of Canada as a court of last resort that we think it competent and willing to apply the privy council decisions as an integral part of the law of Canada. I say that if we have not that degree of confidence in the Supreme Court of Canada then not only should we not make it the court of last

resort for Canada, but I think there is a grave question whether we should continue it at all as an institution of the country. If or when we get to the stage in Canada, in a provincial court for that matter, and certainly in our court of last resort, that we as a legislative body have to sit here and as a part of the legislative function of government direct the judicial branch of the government as to how it should exercise its judgment, then we should have reached a very low state of judicial competence, and a very low state of the legal profession in this country.

That is the simple issue. My hon. friends in this, as in previous statements which they have made concerning this bill, indicate that they are afraid that Canadians should attempt to exercise the ultimate judicial functions in our country, and are showing in this amendment another example of that apparently utter lack of confidence which they have in the idea of our abolishing appeals to the privy council and of attempting to decide our own legal cases for ourselves.

Well, sir, we of the government do not share that lack of confidence. We are satisfied that the rule of *stare decisis,* which as the hon. member for Eglinton has said is part of the settled law of this country, will be properly applied by the Supreme Court of Canada. In that connection I think it would be relevant for me to point out that the rule of *stare decisis* has long governed the Supreme Court of Canada. If the hon. member for Eglinton and the hon. member for Kamloops are in doubt on that point, I would refer them to the judgment of Mr. Justice Duff, as he then was, and Mr. Justice Anglin in the case of Stuart v. Bank of Montreal, 41 Supreme Court Reports at 516, where in the most explicit terms they say they are bound by this rule.

The only interpretation we can place upon this amendment is that it expresses lack of confidence. The amendment reads:

> Subject to any enactment of the parliament of Canada or the legislature of any province in the exercise of their respective powers, the Supreme Court of Canada shall be bound by the law as declared—

and so on. If the law as set out in the decisions of the privy council, which we are going to enact that the supreme court should follow, by the express terms of my hon. friend's amendment, is law which it would be necessary for the legislature of a province to enact or amend, then by the express terms of this amendment he is asking us to invade provincial jurisdiction; and, if we were so unwise as to attempt to do that, it would be clearly beyond the powers of this parliament.

Mr. Graydon: Are you not rather mixed up there?

[Mr. Garson.]

Mr. Garson: No, I am not at all mixed up. My hon. friend's amendment reads:

> Subject to any enactment of the parliament of Canada or the legislature of any province in exercise of their respective powers, the Supreme Court of Canada shall be bound by the law as declared in all orders of his majesty in council hitherto made on the advice of the judicial committee of the privy council—

In other words, he is asking this parliament to direct the Supreme Court of Canada to follow those decisions of the privy council which deal not only with matters coming under the jurisdiction of parliament itself but with matters which come under provincial jurisdiction. We in this house can legislate in connection with the procedure or organization of the supreme court. We have that power under section 101 of the British North America Act. When we undertake to say by way of statutory enactment, however, that decisions of the privy council dealing with matters which come within provincial jurisdiction shall be followed by the court, I think we are clearly invading the jurisdiction of the provincial legislatures and doing something beyond our power. In the view of the government this matter of applying the rule of *stare decisis* is a judicial rather than a legislative function; and when we interfere legislatively with a judicial function we can only make for confusion in a matter which, if left as it stands, is perfectly clear.

I am sure the hon. member for Eglinton and the hon. member for Kamloops are in complete agreement that the rule of *stare decisis* is part of the settled law of Canada; they have said so within the last few minutes. The whole issue is whether we think we can trust this body of men whom we are proposing to clothe with the very great responsibility of being the court of last resort for Canada with the simple, plain and clear task of applying the settled law of this country to the cases that may come before them. If we are not prepared to entrust them with that task we should not consider making them the court of last resort in this country. If we adopted this amendment we would be saying in effect that we have so little confidence in the ability and willingness of the court to do what is its sworn duty that if we did not direct it to do its duty we do not think that it would be done.

My principal objection to this amendment is that in the manner I have indicated it clearly invades the field of provincial jurisdiction. Under section 101 of the British North America Act this parliament is empowered to set up the Supreme Court of Canada and do all those things and enact all those laws and provisions ancillary thereto. When we come to direct that court

to follow privy council decisions which deal with provincial matters, however, that direction in its pith and substance is an enactment of substantive law and not an enactment of procedural law, which under section 101 we have authority to pass. In the course of giving a general direction as to the whole body of privy council law it is inconceivable that we would not deal with matters coming under property and civil rights, for example, and such a provision would be a clear invasion of the provincial field of legislation.

Then it would be open to the other objection. When we direct the supreme court to say that a given statute of the dominion is valid because it has been declared valid by the privy council, in my opinion there is grave doubt as to whether we are not attempting to accomplish a statutory interpretation of the British North America Act itself. If we have power to direct the Supreme Court of Canada to consider itself bound by a privy council decision which says that a certain act of parliament is valid, then equally we must have power to direct the supreme court that it shall not follow the privy council decision, and shall hold the act in question invalid. Were we to do so, the effect of our enactment would be to amend the British North America Act itself. It would amount to a constitutional amendment taking the form of a direction to the Supreme Court of Canada to follow or not to follow privy council decisions.

In drafting the bill we have endeavoured to avoid any invasion or prejudice of the provincial field of jurisdiction. Thus, so far as the government and Department of Justice are concerned, there is no intention of recommending to the members of this house that they should risk invading provincial jurisdiction by directing the Supreme Court of Canada as to what decisions of the privy council it must or must not follow or that the supreme court should apply the rule of *stare decisis*. The government has such confidence in our supreme court and in the citizens and public men of Canada that we are willing to rely on the court to apply, in a proper judicial manner, to the cases which come before it, the rule of *stare decisis* or any other part of the settled law of Canada. We are willing to rely upon the public men of Canada not to interfere with the judicial functions of the court just as the government, in submitting this bill in its present form to the members, is not interfering with the judicial functions of the supreme court. If this amendment is refused, we will continue not to interfere with the functions of the supreme court. But, if the amendment is accepted, then we will certainly be interfering with the functions of the supreme court. If I mistake not, that is the very thing which my hon. friends said would be one of the worst offences of which the government could be guilty in connection with making the supreme court the court of last resort in this country.

There have been certain implications that, in time of trouble and bitterness or political excitement in this country, it is a fine thing to be able to take constitutional cases to the privy council. The plain implication of that is that it is not advisable, under such circumstances, to go to our own court. I should like to put on the record—

Mr. Fleming: On a point of order, Mr. Chairman, we are in the committee of the whole and I take it it is not proper for the minister to reopen the debate that was closed on second reading of the bill. Those who have spoken in this debate in the committee this afternoon have said nothing of the matters to which the minister is now referring. He is setting up a straw man and will proceed to knock him down. There can be no return to or reopening of the debate on second reading; that is closed. My hon. friend the member for Kamloops (Mr. Fulton) and I have scrupulously refrained from saying anything on the principle of the bill. The principle was adopted on second reading. Are we going back and thresh over that old straw? The minister is clearly out of order.

Mr. Garson: My friend is so proud of the stand he took on second reading of the bill, he is not anxious to repeat it.

Mr. Fleming: On a question of privilege, the minister has no right whatever to make any such statement, because this is the first time I have spoken on this bill at any stage.

An hon. Member: He is speaking about the amendment.

Mr. Fleming: The minister is dealing with the principle of the bill and I ask you, Mr. Chairman, to call him to order.

Mr. Garson: Upon any strict interpretation of the rules of the house, I believe it would be in order for me to say what I have said in relation to the amendment which is now offered to the house. The amendment can have no other meaning than that the man who has moved it has not sufficient confidence in the supreme court of this country.

Mr. Fulton: On a question of privilege, Mr. Chairman, the minister has no right to make such a statement. Lack of confidence in the court is not inherent in the amendment nor is it suggested by it. It is a product of a fantastic turn of mind to suggest it could be.

Furthermore, I suggest it is an improper reflection upon the motives of the members of this house and should be withdrawn.

Mr. Garson: I said nothing whatever about my hon. friend, or about his motives. I was speaking about his amendment, and that speaks for itself.

Mr. Fulton: With respect, sir, I would ask for a ruling.

Mr. Garson: May I speak to the point of privilege my hon. friend has raised? I say, sir, that the amendment which is offered says that we must direct the supreme court to apply the rule of *stare decisis,* which is a part of the settled law of the land. If that does not show a lack of confidence in the supreme court on the part of the member who moved that resolution, then I do not know what would show a lack of confidence.

Such a lack of confidence is not warranted, I suggest, Mr. Chairman. I checked back as to the number of cases on constitutional points which had been decided by the Supreme Court of Canada from about 1918 to the present day. I found that there were 60. Of those cases there were two in which, in spite of this influence which living in Ottawa is said to have upon the members of the supreme court, the court was unable to do other than arrive at an equal division of the judges. Of the remaining 58 cases, in exactly one-half the dominion view of the case was upheld, and in the other 29 cases the provincial view was upheld.

I am not suggesting for a moment that any rule of thumb computation of this sort proves the impartiality of the supreme court decisions on constitutional matters. I do suggest, however, that, upon the surface at any rate, it appears as if the Supreme Court of Canada had not been guilty of any great partiality. Of the 60 decisions rendered in the last 30 years, 29 have upheld the dominion view and 29 upheld the provincial view. It is for these obvious reasons, sir, that, while agreeing with the member for Eglinton (Mr. Fleming) and the member for Kamloops (Mr. Fulton), that the rule of *stare decisis* is a part of the settled law of this country, we are prepared, nevertheless, to leave it to the court itself to exercise its judicial, not legislative, discretion and apply the settled law to the cases which come before it.

Mr. Church: I wish to refer to section 3 of this particular bill. I have not taken up much of the time of the house in connection with it. I did make a short address the other day, but I wish to refer to the differences between what was done before and what is being done now in this committee. I am objecting to the method and manner of carrying this out. This particular proposal goes much further than the private bill for which I moved the six months hoist at an earlier session. It is a much wider bill and, if you ask me, it makes a scrap of paper out of the British North America Act in two ways.

Under the British North America Act British subjects have certain rights and privileges. On the first and second readings of the bill I asked two questions. Did this government propose to make a scrap of paper out of the British North America Act? Is that Liberalism of the twentieth century? Is that the kind of Liberalism that we were promised in Quebec and Ontario during the last election? I say no, it goes much further than that. I am objecting to the method and manner of carrying it out. It can only be done as the hon. member for Temiscouata said the other day. He was objecting to the same thing, the method and manner of bringing it about.

Mr. Cannon: The hon. member is not now speaking on the amendment; he is clearly speaking on the principle of the bill.

Mr. Church: You can make your own speech later. I would like to get some order in the committee, Mr. Chairman. I am not saying anything out of the way. I would like to get some order especially from those behind the curtain. If they want to speak on the bill let them speak out.

We know that this is nothing else but a political bill. It is a political bill first, last and always, and was promised in the late election. The very same promises were made right across Canada. What were those promises?

Mr. Cannon: The hon. member admits that he is speaking on the principle of the bill.

Mr. Church: No, I am not. There are certain rights which we have always had, and we had them long before confederation. We have had them ever since we were a country, and dear knows I have been one of those who appreciate that we have the province of Quebec in this country. I paid tribute to them on many occasions. I paid tribute to them when they had fewer friends in this house than they have now. I say that the manner and method of carrying this out is altogether wrong. It will be noticed that all through the bill it says: "This is new; the amendment will abolish appeals to the privy council." Because the Minister of Justice says so it does not make it so. The provinces have a contract. The other day I quoted from the Statute of Westminster. I quoted from a textbook, Wheare on the Statute of Westminster, which is one of the greatest authorities we have on this particular statute. I said the other day that sections 6 to 13 of the Statute of Westminster

did not apply to either New Zealand or Australia. They were wise to contract themselves out of it.

This particular bill is unconstitutional. In the first place, the government has no power to bring it in. It is going to make a scrap of paper out of what? Out of the British North America Act, out of the provinces and out of the right of a subject to petition his king, which he has always had. That was Liberal doctrine. It was Liberal doctrine that a subject had a right, as a matter of grace, to petition his king as to his citizenship and property. Every subject in this country, whether French or English, or wherever he comes from, has the right as a matter of grace to send a petition right up to the king on the throne.

Mr. Pouliot: He may write to the king.

Mr. Church: And he is sure to get the king's reply. Now you are going to take away that right. Is that Liberalism? Is that the Liberalism that we of the older provinces were promised at confederation? It is not a constitutional question. This bill tears up all the case law and the decisions which were reported here at some length by some hon. members of this side and the Minister of Justice. I am surprised at the Minister of Justice bringing in such a bill as this. I say that if this bill goes through I have no doubt it will be declared unconstitutional. It cannot take away the contract which was made in 1844, and long before that in this country. As this textbook on the statute says, the provinces had a contract when they came into confederation. We first got this law by the Constitutional Act of 1791. At that time so much of the law of England was copied in by two provinces of Canada as was applicable and adapted to our circumstances. That was the law. As I said the other day, the king had to have his courts. He could not do it all himself and administer justice. That is how courts of law came into being.

The other day I referred to several fine Liberal ministers of justice. They were absolutely opposed to the method and manner indicated in this bill. There is a difference between this bill and bills which have been introduced in the past. They widened the bill, if you please, to include what? To include something regarding the use of the French language. If there ever was a body that protected minorities it was the privy council. They held a pretty fine balance. I quoted the doctrine of *stare decisis* when I spoke in 1921 and 1922 on the matter when it was first proposed in this house. I was quoting that doctrine because some of the decisions were given by magistrates. There were 180,000 orders in council passed in this country during the war, only four of which ever got to the supreme court, this famous body to which they want to hand over the law. Only four of them ever got to the privy council. One was in regard to margarine.

This new bill seeks to use this new system of Liberalism. Sir Allen Aylesworth was one of the ablest ministers of justice the country has ever had. I quoted him the other day. He said it could not be done. He is probably one of the greatest lawyers this country ever produced. He was on the Bering sea arbitration. There was also a great lawyer from Quebec. He was solicitor general in the Laurier cabinet at the time, and I got him to kick off the football at Rosedale grounds in a game between Queen's and Osgoode Hall. He became the attorney general of Canada and minister of justice. He became chief justice of the Supreme Court of Canada and lieutenant governor of Quebec. What did these men say? They were absolutely opposed to the method proposed in this bill as suggested by the Minister of Justice and the Prime Minister. We want something better than that from Liberalism.

As I said the other day, and as I said twenty years ago, we want a British North America Act for the living and not for the dead. We want it brought up to date to meet changing conditions. The two debates which went on yesterday showed a need of some change for the working class of this country. Are we going to make a scrap of paper out of the British North America Act? Although the government desires the passage of this bill, I do not think it will ever get past the courts.

During the election the Prime Minister spoke in our city. He was very popular there. He got a great reception, but he should have told them about the bill of rights which he proposed to have introduced. If he had told the people of Ontario, the west and the maritimes, that he was going to wipe out with one sweep of the hand all the rights and privileges which they enjoyed when they came into confederation, things might have been different. If he had told the people of Toronto that, and also the people of the maritimes, things might have been different. As this textbook says, Ontario and Quebec came in on a contract. It was hard to get them into confederation. Their contract cannot be altered without their consent, or without an address from both houses of parliament to His Majesty. Afterwards, other provinces were joined. Is that twentieth century Liberalism as we have it today?

His Majesty the King visited this country, including the province of Quebec. In no part of Canada was he given a better reception

than in Quebec, thus showing the tremendous popularity of the monarchy at the present time. But what are we going to do? We are proposing to take away the right to petition the king if anything goes wrong with property or civil rights of the subject or citizen. That is going to be wiped out forever by this parliament, where we say, "This is new; we will abolish appeals to the privy council."

But the fact that the Minister of Justice says so, and the Prime Minister says so, does not make it so. As the hon. member for Temiscouata has said, the method and the manner are all wrong. First they have to have a petition from both houses of parliament. Every amendment to the British North America Act has been preceded by a petition. And it is addressed to whom? The petition is to the foot of the throne. That has been done when amendments have been asked to the British North America Act. It will be noticed that at the present time Saskatchewan has some appeals pending in connection with margarine.

I believe this proposal is made to sever relations altogether with the mother country; there is no doubt about it. We have motions on the order paper now to that effect. One wants to change the office of governor general, so that we may have a Canadian in that office. One newspaper in Toronto has gone so far as to announce who he is going to be. Another hon. member has a motion on the order paper to change the flag, there are motions to change the national anthem, to change the name of Dominion day, and to abolish appeals to the privy council.

As I have said, all these matters are only secondary. But there are other primary matters of vast importance which we should be considering. I could read a long list of those matters, which I placed on record the other day. This bill is founded on what? It is founded on an appeal to separatism, to autonomy. Let us not forget that a million men fought in the first war, under their own sovereignty and autonomy. They did not go over to fight for Britain, but they fought by her side—and 130,000 of them fell on the field of battle. What they did changed the whole history of the world.

What was good enough for the men who went overseas in the first war is plenty good enough for me, and it ought to be good enough for all of us who stayed at home because some of us were not able to go. They went over there to fight by Britain's side and, in so doing, they changed the the whole history of the civilized world.

When these are only secondary matters, is this the time or the place to go the distance we are asked to go today, and to wipe out all these appeals? I say no, it is not. And I can tell you this, that it seems to me we are getting farther out of the empire all the time. There are some who seem to want to make all these changes, until we have now reached a point where we have very few links left.

One of those links is that the king is still the king of Canada. He is still the king of Canada, and no one can prevent his being the king of Canada. We have the right to petition him in any matter affecting the rights of the citizens. These are known as matters of grace, and anyone may have that right—not even the privy council can take it away.

This bill deals only with matters which may be dealt with properly by the courts. It is not in any sense a bill which could be considered otherwise. In my view this is a bill of coercion, a bill to coerce some of the provinces, and it is not one which we should pass at this time. It seems to go further than any of the other bills which have come before us. The present measure has been widened out to include the matter of language. There has never been any doubt of the fact that the privy council has always been the protector of minorities—because let us remember that minorities have rights, just the same as majorities. Both groups have always had rights.

We could never have made progress as a country if minorities had not been given rights. They have the right of language and of religion. We will recall how in Louisiana Huey Long, then governor of the state, came along to support the late president of the United States, Franklin D. Roosevelt, in the south. He wiped out the treaty altogether, and abolished their language and religious rights—something which the privy council never would have done. It has always been the protector of the rights of minorities and of majorities.

I object to the method and the manner in which this is being done. I believe it is a political bill first, last and all the time, particularly at a time when there is a wide division between our people, and when there are more important matters to be considered.

This is not the time to bring up the matter of sovereignty or autonomy. Now is the time when we should be discussing primary matters. In the second world war almost five times as many men went overseas, under the same status we now enjoy. They did the right thing, accordingly.

This textbook I now hold in my hand, Wheare on the Statute of Westminster, sets out the rights of the provinces, and it states that they have no right to change the contract made by the four original provinces, including the maritimes. It also makes refer-

ence to what was done in New Zealand and Australia, and makes special reference to sections 6 to 13 of the Statute of Westminster.

That is the statute which caused all this trouble. Had it not been for the Statute of Westminster, which I have always looked upon as one of the most mischievous statutes we have ever known, we would never have had this bill before us. The privy council has given its decision on that statute.

We are widening the breach. We are permitting ourselves to be looked upon as being outside the empire altogether. Why does Canada want to be out of the empire, as we will be if we are going to accept this bill? If the subject is not to be allowed to petition his king, when his property and rights are in danger, what is the use of our talking about it any more? Why do we not get out of the empire altogether, and have a separate country, as some want to do on the banks of the St. Lawrence? We would have a separate flag, and anthem, and all that kind of thing. This textbook says that we have no such right, and that a contract is a contract whether it be made by an individual or by a statute. I hope the bill will not pass. It never should have been brought before the House of Commons. It seeks in a roundabout way to do what never should have been proposed; it refuses to give the right of petition to the king in matters of grace.

(*Translation*):

Mr. LaCroix: Mr. Chairman, as we are still on section 3, I have an amendment to introduce. I move that section 3 be amended by the addition at the end—

Mr. Lesage: Mr. Chairman, I rise to a point of order. The hon. member for Quebec-Montmorency (Mr. LaCroix) moves an amendment while there is already one before us—

Mr. LaCroix: We are dealing with section 3 and—

Mr. Lesage: I am sorry to interrupt the hon. member, but I must say that we are now dealing with an amendment moved by the hon. member for Kamloops (Mr. Fulton).

The Chairman: We are now considering an amendment moved by the hon. member for Kamloops and relating to section 3. The committee will have to dispose of it before another one can be moved.

(*Text*):

Mr. Fulton: Mr. Chairman, I believe some answer should be made to some of the statements made by the Minister of Justice in discussing the amendment. The first of these was not so much an attempt to deal with the actual merits of the amendment as it was an attempt to call into question the motives behind the amendment. The minister has said that the amendment could be taken only to mean that those who support it have not confidence that the supreme court can be relied upon to apply the law as it now exists.

I think that argument is answered by reminding the minister again of the declaratory acts of the various provinces. Does the minister contend that the enactment of those statutes was an indication that the provinces had no confidence in their own courts? All that those governments were seeking to do was to say what would be the law which should be applied by those courts, and how they should apply it. They were not laying down rules of procedure but rules of substantive law defining the law as it should be applied and followed by their courts. This amendment merely seeks to do the same thing for the Supreme Court of Canada and for the people of Canada.

There cannot be found anywhere in it any suggestion that those who support it lack confidence in the supreme court or the judges who now form the supreme court or in our ability to find other judges of the highest calibre to sit on that court. I suggest that no judge now on the court or subsequently to be appointed to the court would resent in any way the fact that this parliament of Canada, the law-making body of Canada, has seen fit to discharge its duty to the people of Canada, its duty of saying what shall be the law to be applied by that court. That is all that this amendment does. The minister has in fact strained words out of all their possible meaning in an attempt to find an argument against an amendment which on the face of it is quite unobjectionable.

Then dealing with the actual content of the amendment the minister raised the point that the amendment would be unconstitutional because—here I must confess that I could not follow his argument; I found it just as strained as his other argument—we would be seeking to direct the Supreme Court of Canada to apply certain laws with respect to the provinces and in doing so we would be infringing on provincial jurisdiction. This amendment does nothing of the sort.

This amendment merely recognizes that the provinces have the right to pass legislation changing their statute law with respect to property and civil rights. This amendment merely recognizes that right. I was going to say it merely safeguards it, but it is not necessary to safeguard it. The position is that in the past the privy council heard appeals from individuals in Canada who were citizens of this or that province. Let us say that there was an appeal by a citizen from the province of British Columbia concerning the rights of that citizen as against the rights of another citizen. Those are determined by

the laws of the province of British Columbia. However, those decisions of the judicial committee are now the law of this country. The province of British Columbia could change the law within its proper sphere of legislative power. The amendment reads in part:

Subject to any enactment of the parliament of Canada or the legislature of any province in exercise of their respective powers—

That is merely a recognition of the rights of the province to change the law within the province with respect to its citizens. There is no attempt to infringe on provincial jurisdiction.

Mr. Stewart (Yorkton): If the hon. member is not afraid of the constitution of the court, and if he is not afraid of the court exercising proper jurisdiction and following precedents, what is the necessity for the amendment? What is the hon. member afraid of?

Mr. Fulton: I have not said that I am afraid of anything. I doubt if the hon. member himself will disagree with me when I say that the proper function of a legislative body is to define with as much accuracy as possible what it is trying to do and what are the laws and the rights and the duties which it seeks to create by the statute it may be passing. We are considering a statute here to give the supreme court final jurisdiction. I take it from the words of the Prime Minister and the Minister of Justice that there is no objection to the principal of *stare decisis* being followed and applied by that court, but there is a possibility, and we are dealing here with statutes, we are enacting laws—

Mr. Stewart (Yorkton): Why is there a possibility?

Mr. Fulton: We are enacting laws affecting all the people of Canada and it is conceivable that as a result of this law an entirely new set of decisions will be started. This does not call into question the constitution or the personnel of the court; it is simply a safeguard against that happening. It is only part of our legislative process and in the absence of further fundamental objections I am not in the least bit weakened in my support of this amendment. This is particularly so since the president of the Canadian Bar Association, which, as has been pointed out, embraces in its membership a large number of judges of Canada, has stated since this debate started that in his view, speaking as the president of the association, such an amendment should be written into the bill which is now under discussion.

Mr. Pouliot: I was struck with what my judicious friend has just said, and I wonder if he could tell us if in his capacity as member of parliament he has any judicial capacity, although he may be very judicious. This is very important. Judicial powers and legislative powers are in tight compartments and must not be confused, although they seem to be in the mind of the hon. gentleman.

I ask him again how he got any judicial authority when he was sworn in as a member of parliament, and from whom? He may be a justice of the peace and as such may be able to speak with judicial authority, but the fact that he is a member of parliament does not mean that he is a justice of the peace. I have listened to justices of the peace who were a little less dogmatic than the hon. member for Kamloops, who were quite ponderous in their thinking. My hon. friend may be a justice of the peace, he may be a judge of the commissioner's court, he may have authority to give an oath, but that is not because he is a member of parliament. His only jurisdiction as a member of parliament is legislative jurisdiction. Does the hon. member not agree with me?

Mr. Fulton: I thank my hon. friend for the lecture he has just given me.

Mr. Pouliot: It is not a lecture; I am speaking what I have in my mind.

Mr. Fulton: I quite agree.

Mr. Pouliot: I was not clear enough, unfortunately. I should like to be understood by the hon. member.

Mr. Fulton: If you think it worth it.

Mr. Pouliot: Oh, yes; otherwise I would not rise to speak in answer to him. How can we give what we do not possess? Even the Prime Minister, who has one of the clearest and brightest legal minds in the country—hon. members will agree that is not flattery—has no judicial authority although he discharges one of the most important functions in the house. The Speaker and you, Mr. Chairman, have the right to reprimand members. It is a semi-judicial authority over your colleagues; perhaps it is judicial. How could the hon. member for Kamloops, who has a logical mind, confer upon the Supreme Court of Canada a power that he does not possess as a legislator, as a lawmaker, as a member of the House of Commons?

Mr. Fulton: He is not trying to do that.

Mr. Pouliot: My hon. friend will admit that we cannot do collectively in this manner what we cannot do individually and separately. Now he seems to be more confused than ever. I have tried to come to his rescue.

Mr. Fulton: Because I have been listening to you.

Mr. Pouliot: I am trying to make it clear. I ask my hon. friend what is the section of the House of Commons Act, what is the section of the B.N.A. Act, that confers upon

parliament the right to exercise judicial authority and to pass legislation that is equivalent to a direction to the Supreme Court of Canada? That is new jurisprudence. In that regard I am surprised that the president of the Canadian Bar Association has shown such gross ignorance that he has confused both. He suggests that the House of Commons should exercise judicial authority by telling the Supreme Court of Canada what to do. I have spoken perhaps jocularly, but when I make a serious argument and am not understood I have to use metaphorical language.

I have a question to ask the hon. member for Eglinton, who should be named a doctor of laws, *honoris causa,* by every university on the North American continent, for his lecture this afternoon to the Prime Minister and other members of the house. I had my part in it, and I am very grateful for it. There is nothing like the virtue of humility. I ask him to answer the question that was put to him by the hon. member for Davenport. The hon. member for Eglinton told us not to forget the voluminous jurisprudence of the privy council. What should we do?

Mr. Knowles: *Stare decisis.*

Mr. Pouliot: It may be black, it may be white; it may be grey, black and white at the same time. Accordingly the hon. member for Davenport, who is one of the new members of the house, used a pin to prick the balloon. I hope that the hon. member for Eglinton will be kind enough to give us further illumination on the contradictory jurisprudence of the privy council.

Mr. Cannon: I should like to say a few words on the amendment. We have had some extraordinary suggestions this afternoon. We have heard the hon. member for Kamloops suggest that the Supreme Court of Canada, after having been reformed by the legislation that is now being introduced, should be bound and gagged for all practical purposes. He has suggested that we should reform the Supreme Court of Canada and then say to it: You shall not be free to make your own decisions; you shall be bound by the previous decisions of the privy council, appeals to which we are abandoning.

We have heard another extraordinary suggestion made by the hon. member for Eglinton. He has suggested that we on the government side intend to throw overboard the doctrine of *stare decisis.* There is no suggestion that members on this side of the house want to throw overboard the doctrine of *stare decisis.* On the contrary, as the Prime Minister has said, we think it should continue to be applied; but it should be applied according to the law, and according to the true nature of the doctrine. I will return to that point in a minute.

The third thing, and the most extraordinary one that has happened this afternoon, is that we have been given a lesson in Liberalism by the hon. member for Broadview. I certainly did not expect to receive such a lesson from him because he has never been accused, by any stretch of the imagination, of being a Liberal.

To return to the doctrine of *stare decisis,* it seems to me that there is a certain misapprehension among members of the house about the true nature and scope of that doctrine. In countries that base their judicial process on the common law, the doctrine of *stare decisis* is very important because, as we know, the common law is a development of decisions of the courts one after the other that built up the wonderful edifice of the law that we all admire, and which is known as the common law. That law is based upon judgments of the courts and not on statutes, and it is essential that those judgments should be followed by judges applying the same law.

When it comes to statutory law, and in particular the statutory law of the province of Quebec as incorporated in the civil code, we have not the same principle at all. There decisions of the court have not the force of law. They are simply interpretations of the law as it exists in the statutes, and have the value of authority, not the value of a statute.

To revert to the argument of the Minister of Justice, that if such an amendment were passed it would infringe upon the rights and prerogatives of the provinces, let me give this example. Suppose we passed the amendment, and suppose we told the Supreme Court of Canada that they were bound by the doctrine of *stare decisis* in that they had to follow past decisions of the privy council. In effect we would be telling them that they could not alter anything that had been decided by the privy council even on matters concerning the civil law of the province of Quebec. In effect we would be incorporating in the civil code of Quebec decisions of the privy council which may be erroneous. What shows that they have been erroneous is that in the past they have contradicted themselves. The decisions of the privy council on the interpretation of the civil code of the province of Quebec have been far from uniform. The jurisprudence has varied.

That is a clear example, and it demonstrates the value of the argument of the Minister of Justice when he says that we cannot do this thing because if we did so

we would be encroaching upon the rights of the provinces, and that in an indirect manner we would be introducing an amendment into the legislation of the provinces, and particularly into the civil code of my province.

While I am speaking on this amendment I should like to set one other matter right. Reference has been made to the decisions of the Canadian Bar Association at its meeting last month. I happened to be present at that meeting, and I was also present at the meeting of the committee when the resolution was passed. I want to emphasize here that those who drafted and adopted the resolution purposely refrained from expressing any view as to whether or not appeals to the privy council should be abolished. I have heard several hon. members opposite state that the Canadian Bar Association said it was not in favour of abolishing these appeals. The resolution, which is in *Hansard* where it can be read by anyone, says in express terms that the Canadian Bar Association refrains from expressing any such views.

I just wanted to re-establish that fact. For these reasons, Mr. Chairman, I shall vote against the amendment.

Mr. Drew: Mr. Chairman, this amendment can very easily be the subject of a difference of opinion as to whether or not it is desirable. That is something on which the opinions of hon. members are bound to divide. But whatever reasons there may be for not dealing with this amendment, they are not the reasons that have been put forward by the Minister of Justice. He has resorted to a device which was used at an earlier stage of this debate to create an impression that has no relationship to the arguments that have been put forward in support of this amendment, or to the reasons the mover gave for introducing it. The minister suggested that the only interpretation we could place upon this amendment was that it was an expression of lack of confidence in the Supreme Court of Canada. Not a word in that amendment can be so interpreted in any reasonable reading of it. The amendment may or may not be worded exactly as each legal brain would say best interpreted the desire to preserve the doctrine of *stare decisis* in regard to those cases that have been decided over the years; but if the words do not appropriately express that idea a better way could well be pointed out. However, I repeat that there is not a word in the amendment which justifies any suggestion of lack of confidence on the part of the mover of the amendment in the Supreme Court of Canada as a court capable of rendering judicial decisions upon such matters as may come before it.

[Mr. Cannon.]

The minister went further and said that to incorporate in the legislation itself an explicit declaration in regard to the principle of *stare decisis* would also, by inference, be a reflection upon the Supreme Court of Canada and an expression of our lack of confidence in that court. Let me come back to the resolution of the Canadian Bar Association. In doing so I emphasize the fact that as far as I am aware no hon. member has suggested that the opinion of the members of the Canadian Bar Association has any more validity or weight here than the expression of opinion of a group of men who, in spite of what may be said by the hon. member for Temiscouata, are mainly the senior members of a profession qualified to deal with subjects of this kind. As recently as four weeks ago, at the very time the Prime Minister and the Minister of Justice were in Banff, they passed the resolution unanimously. In addition to urging that any steps of this kind should not be proceeded with until there had been some opportunity for an examination of their effect upon minority rights, the constitutional position and so on, they made certain other recommendations in regard to the judges of the supreme court which it would appear to be the intention of the government to follow, whether or not that is a result of the resolution. Moreover, in that resolution they declared that the principle and doctrine of *stare decisis* should be preserved.

The Prime Minister has said that he is in agreement with that idea; but with all respect to the position he occupies and to his great legal standing, his support of that idea does not become an incorporated part of any statute that may be passed by this house. What will subsequently determine the effect of any legislation that may be passed is the wording of the statute itself, not what may have been said by any hon. member of this house, the Prime Minister or anyone else, as to what he thought should be done once the bill became a statute. But it goes further than that. We have something in the nature of an interpretation of what was in the minds of the members of the bar association. Hon. members have heard read a press report of a statement by the president of the Canadian Bar Association, presumably speaking in his official capacity, who said that in his opinion there should be a declaration of the acceptance of the doctrine of *stare decisis*.

That being so, if it can be suggested that the desire to have adopted an amendment which will place in the act itself a declaration of that principle reflects in some way upon the confidence enjoyed by the Supreme Court of Canada, then most certainly can it be said that by their unanimous vote the members of the Canadian Bar Association were reflect-

ing upon the Supreme Court of Canada. I do not believe for a moment that any hon. member of this house would suggest that this was the thought behind the resolution adopted by the bar association, which contained a recommendation which this amendment seeks to interpret in statutory form.

It is open to debate, of course, whether or not the wording is perfect. Different members may have different views as to whether this is the best expression of the request of the Canadian Bar Association. It is an attempt, however, and I believe a reasonable and well-worded attempt to carry forward into statutory form the desire expressed by the senior members of the Canadian bar.

In view of some suggestions that have been made that any proposal of this nature is a reflection on the Supreme Court of Canada and the ability of this country to produce lawyers of the stature necessary to meet the high standards of the judiciary, let me say most emphatically that no such suggestion has ever been contemplated in anything that has been said by any member of the party I have the honour to lead. I am as confident as any member of this House of Commons that the legal profession, despite the humorous comments that may be forthcoming from time to time about some of the members of that profession either from the member for Temiscouata (Mr. Pouliot) or from others, has in all the ten provinces established a standard that gives Canadians reason for being proud of that pool of legal talent from which the judges of this country are drawn, whether for the Supreme Court of Canada, the superior courts of the provinces or the county courts and district courts within each of those provinces.

This amendment is an attempt to put into statutory form a statement consistent with the unanimous recommendation of the Canadian Bar Association that the principle of *stare decisis* be applied: in other words, that the background of decisions of that court, which throughout these long years has passed upon constitutional and other matters, shall still be given their full legal effect. I believe it is important, Mr. Chairman, that all of us recognize the extent to which our constitution is, in fact, a combination of the British North America Act and the legal decisions which have interpreted some of the general terms within that basic constitution of Canada.

Under sections 91 and 92 of the British North America Act, there is a division of responsibility and jurisdiction between the national government and the provincial governments. Many of the expressions were in general form and many of those things which, since the date of confederation, have become an essential part of the administrative as well as the legislative powers of both dominion and provincial governments, have been the result of interpretations of that constitution by the privy council. When differences of opinion arose, this tribunal was called upon to decide where the actual responsibility and jurisdiction lay.

There are a few comparatively recent examples of such decisions. At the time the British North America Act became our basic constitution this country was in the early stages of its development. Anyone who might have told our forefathers that we would be listening to the words of people passing between each other without benefit of wires would have been laughed at. Yet, within recent years the privy council was called upon to decide whether, under the wording of the British North America Act, the control of radio rested with the national or the provincial governments. So it was in the case of the control of aviation. The question arose whether that came under the provinces as a result of the reference to property and civil rights, or whether it came under the control of the national government. The privy council made its decision and that decision has, in effect, become part of our constitution.

And so it goes in regard to many of the things that are done both by the government of Canada and by the governments of many of the provinces.

Progress reported.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

CRIMINAL CODE

PORTRAYAL OF CRIMES BY PICTURES IN MAGAZINES, ETC., TENDING TO INDUCE VIOLENCE

Mr. E. D. Fulton (Kamloops) moved the second reading of Bill No. 10, to amend the criminal code (portrayal of crimes).

He said: In view of the comparatively short time available on this occasion for the discussion of this bill I ask the forbearance of the house if I deal with only some of the highlights of the matter involved in the suggestion I have to make because I understand that several hon. members have something to say on this matter. Therefore I shall keep my remarks to as short a compass as possible in the hope that they may be able to say something and still leave time for expression of opinion on this bill.

This is not the first time the matter has been before the house. It has been before the house in discussions on the estimates of the Department of Justice in 1947 and again in 1948. While I have a bill here which deals with crime comics I should say that one or two remarks have been made indicating a view to this effect: Well, after all, is there much sense in going after the comics in the daily papers and depriving the children of their ordinary reading? May I make it clear, Mr. Speaker, at the very outset that the type of publication I have in mind is not the ordinary comic strip in the paper, but it is what is commonly called the crime comic; in other words the pulp paper magazine which retails for about 10 cents, vast numbers of which can be found on any of our newsstands.

Mr. Gibson (Comox-Alberni): Coming from Toronto.

Mr. Fulton: I believe that a large number of them are printed in Toronto. The hon. member who has just spoken and any other hon. member who may be wondering a little bit whether this matter is worth wasting much time on would be, I think, as I have been, amazed if he were to go down and make a study of the magazine stands in any news shop of this city or in any other city across Canada. If he will actually look through the racks in the shops he will be astonished to find how widespread is the distribution of these magazines. Again I refer to the kind of magazine, forty or fifty pages of which portray nothing but scenes illustrating the commission of crimes of violence with every kind of horror that the mind of man can conceive. May I lay before the house, Mr. Speaker, a description of the type of thing I have in mind. At this stage I do not want to use my own words; I want to use the words of a very respected minister of the government which is in office at the present time, a man of most temperate character, a man little given to exaggerated or violent words. In 1948 I sent the then minister of justice, Mr. Ilsley, now Mr. Justice Ilsley, a copy of the type of magazine which I had in mind. It was entitled "Crime does not Pay." A little later when his estimates were up for discussion in the house the minister referred to the particular magazine that I had sent him and he used these words, to be found on page 4939 of *Hansard* of June 9, 1948:

> The hon. member for Kamloops sent me a shocking instance of the abuse of freedom of the press. I agree with him that it is just that.

As illustrated by the number of resolutions and letters which I have received from organizations from coast to coast, there is a very widespread feeling that this type of crime comic does immense harm to the youth of this nation. May I read to the house some of the words used by an experienced psychologist in discussing the type of thing with which I am dealing. I hold in my hand a book entitled "The Psychopathology of Comic Books", an extract of the symposium held by the association for the advancement of psychotherapy held in New York city and written by Frederic Wertham. The first paper was read by a Mr. Gerson Legman. I shall read from page 473 of the proceedings of the association. I read these words because they are a perfect description of the type of publication which I have in mind:

> The comic books concentrate on aggressions which are impossible under civilized restraints—with fists, guns, torture, killing, and blood. The internalized censorship of both artist and child makes this attack respectable by directing it against some scapegoat criminal or wild animal, or even against some natural law like gravity, rather than against the parents, teachers, and policemen who are the real sources of the child's frustration and therefore the real objects of his aggression. At the same unconscious level that the child identifies himself with the heroic avenger, he may also identify whoever has been frustrating him with the corpse.
>
> Violence displaced in this way from its intended object invariably appears in larger and larger doses, more and more often repeated. Twelve years ago, in 1936, there was not one comic book published in the United States. Today, at a conservative estimate, there are five hundred million yearly.

May I pause here to remark that that estimate is already out of date, because the last authoritative estimate in the United States is that 60 million of these publications hit the magazine stands in that country every month, or 720 million a year. I regret that I have not been able to obtain authoritative figures on the numbers which are circulating in Canada; but, as I have said, if any hon. member wants to see for himself the threat which they are he has only to go to any newsstand in any otherwise reputable magazine shop in this or in any other city.

The article continues:

> The secret of this unprecedented success—the greatest, fastest literary success the world has ever seen—is, of course, violence. All comic books without exception are principally, if not wholly devoted to violence.
>
> The price being only a few cents apiece, and the distribution national, every city child can, and does, read from ten to a dozen of these pamphlets monthly, an unknown number of times, and then trades them for others. If there is only one violent picture per page—and there are usually more—every city child who was six years old in 1938 has by now absorbed an absolute minimum of eighteen thousand pictorial beatings, shootings, stranglings, blood-puddles, and torturings-to-death, from comic books alone. The fortification of this visual violence with similar aural violence over the radio daily, and both together in the movies on Saturday, must also be counted in. The effect—and there are those who think it has been a conscious intention—has been to raise up an entire generation of adolescents who have felt, thousands upon thousands of times, all the sensations and

emotions of committing murder, except pulling the trigger. And toy guns—advertised in the back pages of the comics—have supplied that.

There are many other statements which could be given and I hope the house will forgive me if I rely upon the statements of experts in the matter, rather than upon my own observations.

I should like at this stage to refer to a lecture given by Mr. Arthur J. Freund, chairman of the American Bar Association committee on motion pictures, radio broadcasting and comics in relation to the administration of justice. The American Bar Association has had this matter under study for over two years, having been disturbed by the vast number of these publications which are reaching the newsstands every month, their effect in turn being multiplied by the movies, radio and, at present, television.

My appeal is directed exclusively to crime comics, the pulp type of magazine publication which is usually known by that name. The committee to which I have referred has made an extensive study of the matter as it is portrayed in what they describe as the various media. When they use the word "media" they mean crime comics, the radio and motion pictures.

The address delivered by Mr. Freund at the meeting of the special committee of the American Bar Association held in November of 1948 contains this very interesting passage:

> After a consuming and intensive attention to this subject for two years as chairman of this committee on behalf of the American Bar Association; with the great volume of correspondence which has poured upon my desk decrying the evils of crime portrayals by the media, and as the result of many conferences and much correspondence with members of my profession, publicists, psychologists, psychiatrists, educators, social scientists, and other professional and interested lay persons, I am of the personal conviction, to paraphrase the findings of the National Broadcasting Corporation, that the vivid, living portrayal of crime by the media has a profound impact upon the mind of the juvenile, adolescent and impressionable and that grave harm has already resulted thereby to uncounted and, perhaps, uncountable numbers of our society.

Mr. Freund continues by dealing with the representation one hears from time to time that, after all, crime comics are only the up-to-date form of the old stories of violence which are found, it is said, even in the Bible, or in classical fairy tales such as Robin Hood. Then, there are other stories which are not necessarily fairy tales, in which category would come Treasure Island. The point is made that it is ridiculous to suggest that these crime comics, which are only up-to-date versions of these other tales, in fact contribute to juvenile delinquency.

Mr. Freund deals with that suggestion as follows:

> During the past two years I have repeatedly heard representatives of the media say that the crime portrayals in their respective fields are a stimulus required by our changing society and that they are, after all, no worse than the crime episodes told in the Bible, portrayed in fairy stories and in some of the classics which are the foundation of much of our great literature. I cannot accept this thesis. On the contrary, I believe it is one thing for an adolescent to live in a world of fantasy stimulated by stories in the Bible, by fairy tales and by great works of classical literature unrelated to his immediate environment or to the realistic possibilities of his every-day life. But it is my view that it is a wholly different experience for the impressionable mind to be stimulated into a world of apparent reality where criminal and morbid activities in which he can actually participate in his day-to-day living are delineated repetitiously for him with blueprint accuracy.

Those are the words of people who have made an intensive study of the problem. Thus far however it must be admitted that my remarks have been in the realm of theory. I should now like to relate them to the realm of actuality by pointing out to the house a number of cases in this country and in the United States where the commission of crime by juveniles has been directly attributed to crime comics. Before giving the actual illustrations let me remind the house that this type of comic publication is turned out in such a way as to impress most vividly on juvenile minds the subject matters with which they are dealing.

It is well recognized by teachers that the easiest way to impress a lesson upon a juvenile mind is by illustration. That is exactly what these crime comics do. They present in coloured pictures the commission of crimes of violence, showing every possible detail. Secondly, it should be borne in mind that children are natural imitators, and that they frequently copy what they have seen others do without any thought of the moral aspect involved, whether it is right or wrong. They just copy it as a natural sequence, having seen it done before. When they see it repeated in pictures hundreds upon hundreds of times they are more apt to copy it, and to do exactly what they have seen the criminal doing, without any thought as to whether it is right or wrong—until they are suddenly brought to court to face charges of having committed crimes.

Then, these crime comics almost invariably portray the law and the administration of justice and decency as a slow, stumbling and stupid process; whereas the gangster, the man of violence, is portrayed as acting directly, quickly and forcefully. In this way the sympathies of children are directed toward the wrong side.

I now come to the actual evidence of crimes having been committed or contributed to by crime comics. First I would refer to a statement made by Mr. J. V. Bennet,

director of the bureau of prisons in Washington, D.C. In the course of one of the studies to which I have referred he states:

> We have in one of our institutions a boy who carried out a kidnapping plot following the precise pattern he had read about in a comic magazine called Crime Does Not Pay.

May I pause to remind the house that it was one issue of that magazine, which I sent to the former minister of justice, which brought from him the comment that this was an example of a shocking abuse of freedom of the press. Mr. Bennet continues:

> Not only did the boy confess that he got the idea from the crime comic but the facts surrounding the execution of the crime bore out his statement. There are a number of cases, notably one in Ohio where two boys attempting a kidnapping shot and killed a citizen, which indicates pretty strongly the influence of comic magazines on the young boys who plotted the crimes.

Then it should be recalled, sir, that this magazine "Crime Does Not Pay" circulates freely in Canada. The second piece of evidence I should like to lay before the house concerns the trial of two boys aged eleven and thirteen for murdering James Watson of Dawson Creek, in Canada, in the fall of 1948. During the trial positive evidence was produced to show that the boys' minds were saturated with what they had read in crime comics. One boy admitted to the judge that he read as many as fifty crime comics a week, while the other admitted having read thirty. After the case was concluded, the presiding judge delivered a most direct and scathing criticism of crime comics, laying the blame for this murder almost directly upon their influence.

Many other cases could be cited. In Montreal a boy aged 12 years beat his mother to death with a bat while she was sleeping and at the trial said he had seen that sort of thing in the comics. In Philadelphia Symon Levin, aged 16 years, killed a 12-year-old boy with a pair of scissors. His room was found to be littered with crime comics. In Los Angeles a 14-year-old boy poisoned a 50-year-old woman. He said he had got the idea from a comic book as well as the recipe for the poison. In the same city a 13-year-old boy was found hanged in a garage with a crime comic illustrating that type of thing at his feet.

These are only examples that I am giving to prove that crime comics have a direct bearing on the commission of crime by juveniles. Apart altogether from the statements of experts who have studied the matter, there is other evidence in the form of resolutions passed by parent-teacher associations and other groups experienced in training young minds from coast to coast of Canada. A campaign has been started by the Kiwanis clubs across the country and each club is asked to pass a resolution dealing mainly with obscene books but by implication with these crime comics as well. The resolution ends with the following words:

> Therefore be it resolved that the Minister of Justice be respectfully requested to fully investigate and to recommend prosecutions of the publishers, distributors and vendors of obscene books, especially of the inexpensive paper bound type, in order that the further corruption of the youth of Canada may be prevented and thus alleviate some of the ever increasing tendencies towards juvenile delinquency.

That is the background of the situation. I think hon. members will agree that the evidence shows that there is a real menace to the youth of our country in the widespread publication and circulation of crime comics. We are then faced with the question: How are we going to deal with it? Various methods have been suggested. One is direct censorship by the government and the other is the setting up of some sort of bureau which would ban certain publications. I say without hesitation that I am against both of those methods. I am unalterably opposed to the idea of government censorship of the press in any form whatsoever in peacetime. There are too many dangers involved in that type of solution.

I have the utmost confidence in proper legal processes which have been worked out in this country over the years; I have the utmost confidence in our courts and jury system, and my suggestion is that the proper approach is along these lines. If it is demonstrated by such evidence as has been given here that a course of action is obviously against the public welfare or public morals, then it should be made an offence by a properly enacted statute. We should define the offence as accurately as we can and then provide the mechanism whereby the person accused of the offence can be brought before our courts. It should be left to our judicial system to determine whether or not the person accused has in fact committed the offence or rather committed the acts which constitute the offence as defined in the statute.

That has been the approach which has been followed here. At the present time there is no satisfactory definition which would make it an offence to print, publish or distribute the type of crime comic which I have been describing. No satisfactory means exists of starting an action against a person who may print, publish or distribute these comics. I would refer again to the words of the former minister of justice when he was discussing this matter. I have referred already to his remarks as reported on page 4939 of *Hansard*

of June 9, 1948. After stating that I had sent him a shocking instance of the abuse of freedom of the press, the former minister went on to say:

> I agree with him, that it is just that. I am afraid, however, it is nevertheless legal; it is not an offence to publish the kind of material which was published and which is being distributed in various parts of Canada.

At the present time there is no means of dealing with that type of publication and means must be found. The means which I have sought, which are in accordance with the principles which I have just laid before the house of defining an offence and then setting up the mechanism whereby the person accused can be tried, are suggested by the present Criminal Code. This bill seeks to amend section 207 of the Criminal Code by adding a further offence, the offence of printing, publishing or distributing crime comics.

Section 207 of the code as it presently exists is within that part of the code dealing with offences against public morals, decency and so on. That section sets out three types of offence. It states:

> Every one is guilty of an indictable offence and liable to two years imprisonment who knowingly, without lawful justification or excuse,

The section then goes on to define the three types of act which if committed will render a person liable to that penalty. The three acts are: first, the making, manufacturing, selling or exposing for sale of obscene literature or pictures; second, exhibiting any disgusting object; and, third, the sale of harmful drugs. There are set out the three categories of offence. My suggestion is that to those three categories there shall be added a fourth category which is to be found in the bill, namely, and I quote from the bill:

> (d) prints, publishes, sells or distributes any magazine, periodical or book which exclusively or substantially comprises matter depicting pictorially the commission of crimes, real or fictitious, thereby tending or likely to induce or influence youthful persons to violate the law or to corrupt the morals of such persons.

Anyone found guilty of committing the offence there set forth would be subject to the penalty imposed by section 207. In placing this bill before this house I am attempting to comply with requests which I have received—I know other hon. members have received similar requests—from civilian organizations that something be done to cope with this increasing menace. Not only have requests of that sort been received from civilian organizations; similar requests have also been received from some of the law enforcement officers of the provincial governments.

When the matter was discussed in 1948 the then minister of justice, Mr. Ilsley, said that a request for some such legislation had been received from the attorney general's department of British Columbia. I understand—and the minister will have more knowledge of this than I—that the attorney general's department of Manitoba would like to see some such legislation. I do not mean exactly the same, but they hope that it will be found possible to introduce legislation providing an effective means for dealing with the problem I have been describing. I know that the attorney general's department of the province of Ontario say that they find that under the law as it presently exists there is nothing they can do to deal with the problem. I believe that they too would like to see some solution found.

In the previous discussions it was stated by the then minister of justice that, although he was well aware of the problem, it had not been found possible to devise any legislation which would provide a satisfactory solution. Here is a suggested solution. I am not saying it is perfect. It is probably far from it, but I want to impress upon the house that the draftsmanship of the bill is not mine. The bill is in the exact form which was drafted by the Department of Justice and was read to the house during the previous discussion by the then minister of justice, Mr. Ilsley, when this whole matter was being discussed during the passage of his estimates.

In discussing the matter on June 14, 1948, the minister said that the problem had been drawn to his attention by the representations which I had made, and which others had made, and that an effort had been made to draft legislation that would form a satisfactory answer. He assured the committee at one stage that he would either introduce such legislation at a later date or, if he did not introduce it, he would give his reasons for not doing so. On June 14, in committee of supply, he stated that the matter had been considered and a draft had been prepared, but he was not ready at that time to introduce the draft as a government bill. He read the draft which had been prepared and considered in the department, and it is found at page 5200 of *Hansard* of June 14, 1948. Hon. members who may care to turn it up will find it is in exactly the same form as the bill now before the house.

In discussing the matter at that time the minister said that the draft that he read, and which is now incorporated in this bill, had certain weaknesses. First he said it was difficult to define the matter clearly enough to make it possible to take effective action by way of prosecution without at the same time running the possibility of involving some

innocent person. I think the answer to that is found in the acceptance of the principle that, under this bill, if a prosecution were to be laid, the person accused of the offence would be brought before the criminal courts on a jury trial, and it would be up to the jury to say whether the publication complained of was in fact of such a nature as to be likely to influence youthful persons to commit crime. It would not be open to the minister, or anybody else with improper motives, to launch an improper prosecution against an innocent person. It would be up to the twelve men of the jury, parents of children or possibly even printers and publishers, who would have the publication complained of before them, to say whether in fact it fell within the definition which would then be incorporated in the Criminal Code of a book or publication tending or likely to influence youthful persons to violate the law.

Then again the minister argued against the proposed legislation at that time that it would be of general application across Canada, and he said there might be provinces which did not want to apply it. There might be a province where they did not want to bring such prosecutions. I think the answer to that is found in the fact that there are certain provinces which have requested legislation to deal with the matter. The proposed legislation leaves it open to the attorney general of the particular province. If in that province it were felt that the matter is a threat to morals, then the attorney general would presumably press prosecutions. If in another province no such feelings were prevalent, then no use would be made of the section. There is nothing in the bill that compels the attorney general to bring a prosecution. It is only if it is felt by the law enforcement officers of the province that something should be done.

I think one can sum up as follows: No harm can result from the bill. It will not bring in any form of censorship or banning of publications, but it will put publishers and news vendors on their guard to see that they do not publish or sell any magazine within the category defined. It will not give any powers of coercion to any board or bureau. No attorney general or law enforcement officer is compelled to act if he does not want to do so. It is left to the provinces if it is an obvious offence. Therefore the bill has no harmful features, but it has, I believe, a great potentiality for good.

Some may say that there has been an exaggeration of the evils of crime comics. I would refer them again to the factual evidence which I have placed before the house. I suggest to anyone who thinks that crime comics really are not harmful that, if he will look into the question, if he will go to the newsstands, if he will pick up one of these things and see what they portray and the examples they lay before the youth of the country, he will not deny that there is a real menace in them. Even if there were only one case of a crime, the commission of which was influenced by crime comics, even if the enactment of the bill only prevented one murder, one crime of violence being committed by a juvenile, I would say that the act, if passed, would have served its purpose, that the bill would have been worth while.

I hope that it will receive general support from the house. As I say, I realize it is not perfect, but it does seek to deal with the situation, and if it merely focuses public attention on it it will have been worth while. If it should be passed, and if it should prevent the commission of one crime by a young person in this country, then it will have been worth a hundredfold any effort the house may devote to it. I bespeak its support.

Mr. Daniel McIvor (Fort William): First I should like to commend the hon. member for Kamloops (Mr. Fulton) for bringing a question of this kind before the house. He is a young man full of life and energy. I read the funnies, as you might expect. I read Smitty, Orphan Annie, Superman, Blondie, Napoleon and a lot of others. I think the funnies emphasize a sound principle of the teaching profession, that of making an impression through the eyes. Anybody will admit that the more you read about a thing and the more you look at it the more you become like it. I do not forget the period of my boyhood when I did not need much prodding to be bad, and I do not think there is an hon. member of this house who has not passed through such times, when he did not need much to suggest bad thoughts; and as you think, so you are.

Had I known this subject was coming up tonight I would have had some samples of the sort of thing that is printed in Canada and that comes across the border. I am sure no hon. member of this house would want the youth of Canada to practise the suggestions that come from those displays. I am sure everyone will admit that many of these pictures suggest the breaking of the seventh commandment, and the great thrill that is supposed to come to youth as a result. Those of us who are older realize that the Great Teacher has said that if you break one commandment you are guilty of breaking them all. Our educational system is of a very high order; and I speak now of Ontario and Manitoba, with which I am best acquainted. Each of our churches that amounts to anything has an educational

system as well. We are teaching our boys and girls to be true men and women, to act courageously in facing the problems of life. But the devil—perhaps I should not call him that, though that is what he is; I will call him his satanic majesty—has plans for our youth. You can almost hear him saying, "Get them young. That is the time to get them". Our Sunday school teachers can work their heads off and still not succeed in combating an agency such as obscene literature. It is a curse. Sometimes a clerical gentleman is held up to ridicule, and you see the effect on our youth. Sometimes a good mother and father are held up to ridicule in these obscene pictures; then it is suggested that they should break the seventh commandment and get a great thrill.

I know the Minister of Justice (Mr. Garson) as I knew his dad, one of the outstanding citizens of Winnipeg, a contractor who had no trouble getting contracts because he did an honest business. As I think of the background of the minister I am sure that in his own way he will give serious consideration to the bill which has been presented by the young member for Kamloops (Mr. Fulton). If I may refer again to his satanic majesty, if he finds that not only the churches in Canada, not only our public schools and Sunday schools but also the members of the House of Commons are lined up against him, then he will think the thing over and back out.

Mr. E. G. Hansell (Macleod): Mr. Speaker, I have a great deal of pleasure this evening in rising to support the action of the hon. member for Kamloops (Mr. Fulton) in presenting this bill to the house. I believe it is needed as part of our Criminal Code. I do not rise to support the amendment necessarily or particularly because of my profession; I want that understood. I do so because I believe that is the reasonable thing to do, and also partly because before I entered the ministry I had a great ambition to become some day a famous cartoonist, and in the process perhaps become a millionaire. Well, I did become a cartoonist, connected with one of Canada's daily newspapers. I never became a millionaire, however. I created a comic strip which was said by those who read it to have some merit, but I never did make a million dollars, and I think I know why. There were perhaps two reasons in particular. In the first place it was not sexy enough, and in the second place it contained no crimes. Any man who can put enough sex and crime into his drawings or his writing and get away with it can make a million dollars any time he cares to try it.

Because of my interest in cartooning, Mr. Speaker, I have followed these particular publications over the years. I have watched the trend, and I know something of the extent to which publishers have gone in their greed for the almighty dollar. They are not concerned with the future of our citizenry as long as they can fill their unholy coffers. Since there has been some revolt on the part of the people of Canada, however, these publishers have taken some steps, or shall I say have put up some sort of front, in their own defence. Not so long ago the association of comic magazine publishers met in New York and drew up a code of ethics for the publication of crime comics. I am not going to take time to read that code, because I have only ten minutes before the hour expires. The code itself is not bad, but of course the difficulty is that it has no teeth. If the code is broken, what matters it, anyway? I could say something about this section of the Criminal Code which my hon. friend is seeking to amend. That section has teeth if only the authorities would do their duty and use it to prosecute those who publish obscene and undesirable literature. I agree that this section as it now stands does not specifically cover crime comics, but it does cover unwholesome literature.

I have been building up quite a file of this material over the past few years. I have the hardest job in the world keeping my youngsters from reading crime comics. I told them I was against them, and every once in a while they come running to me calling, "Daddy, daddy, here is one you should have for your file", so I have quite a nice little stack of them piled up. Here is a publication called "Crime Does Not Pay", which has been referred to. On the cover is the word "Crime" in large letters. I think, Mr. Speaker, you can read that from where you are sitting, but I will bet a million dollars you cannot read the type underneath which says "does not pay". It is so small it is almost negligible.

The youngsters get this book and read it. I did not read it but I went through it and looked at the pictures. I am going to tell you how I have categorized these pictures. The list is as follows: Those depicting a punch or bludgeoning with a blackjack or something else, 11 times—that is in one issue; burning or torturing, 8 times; you can see blood running twice and guns depicted 14 times. You can see a corpse 4 times; drinking bouts, 5 times. You can see somebody in the electric chair twice; poison is used three times and gassing once. I ask any reasonably minded man, is that the sort of thing our young people should be reading? That is a book entitled,

"Crime Does Not Pay". The publishers circumvent the law by using the words "does not pay". You see, we all know that is only a way of getting around the law. They are interested in the commercial end of it.

In the few minutes at my disposal, Mr. Speaker, might I emphasize once again that, apart from crime comics, if the Minister of Justice, who has the administration of the R.C.M.P. under his department, or if the various cities with their own police forces would take that section of the Criminal Code and enforce it, sending a few of these publishers to jail for a couple of years, I have no doubt but what it would make a difference in the type of publications in this country. Do not say you cannot get any evidence. If the minister wants evidence I will let him have my files.

I show you now a publication entitled "Girls on City Streets". Now, I want hon. members to know that I am building up a file on this subject. I purchased this copy in a coffee shop in a small western town. There was only the one coffee shop and newsstand and this publication was sold there. Things appear in this that I would not dare read in this chamber. I can tell you that no boy or girl would take it into the home for fear dad would take them out to the woodshed and paddle them for reading it. Anything a youngster would be ashamed to take home should never be published.

I have another publication to show you. Apparently the police did not ban this publication or another issue would not have appeared. I want you to remember I am building up a file and I did not obtain this merely to read. Of course, I had to read it, Mr. Speaker, or I would not have the evidence. Here is an article on the life of a prostitute. It might be said the publisher could get around the law by showing that the poor girl paid for her crimes, but that is not the reason some of our young people would buy this book to read. If you would like to read it, Mr. Speaker, I will send it to you. I shall do the same for all hon. members, but please, after the adjournment, do not rush me. This article is concerned with the life of a prostitute. It tells how she got into the racket. It tells something of her experiences on the first night she was in a bawdy house. Do you want me to read it? It tells how she was taught the technique of the game and it goes on to depict a lot of gutter scenes. That is what I bought with my hard-earned money—but only to build up my files.

I am serious about this, Mr. Speaker. Surely that sort of thing cannot go unnoticed by the police. Such a publication would be sold to my boy. Have not we, the men who are responsible for the making of our laws, the right to stand up in this parliament and protest? Have we not the right to ask the government to take some action to put teeth in our legislation? I am surprised, Mr. Speaker, that it has been left for a private member to introduce a bill of this sort. It is well known that home and school associations, parent-teacher associations, have sent in resolutions—one of the largest denominational churches adopted a resolution at a convention a year ago and sent it to the government. The government knows all about that. These resolutions have been coming in to the government by the score. If the government desire to argue, it is well known they can argue all sorts of technical things such as the freedom of the press. I am not even suggesting censorship. What I am suggesting is that the Criminal Code be used to prosecute when offences are committed against it. I am sorry that the time appears to have been exhausted because there are many other things in my files which I should like to present to you. I do urge this house to consider the adoption of this bill.

SUPPLY

Hon. Alphonse Fournier (Minister of Public Works) moved that the house go into committee of supply.

RADIO LICENCE FEES

Mr. D. F. Brown (Essex West): Before going into supply, there is a matter I should like to draw to the attention of the government, having in mind a newspaper article that appeared in an Ottawa paper this evening. It was stated that the request for an increase in radio licence fees has been brought to the cabinet level. It may be well, Mr. Speaker, for one to have some idea of the geography of the constituency of Essex West which I represent. This constituency, comprising one of the three constituencies of the county of Essex, is the most southerly part of the Dominion of Canada. As a matter of fact, it is south of the most northerly latitude of northern California. My constituency is surrounded on three sides by the United States.

We have in that constituency, Mr. Speaker, a radio station which carries some C.B.C. programs as well as some programs of the Mutual Broadcasting System. Recently the power of the station was increased to 50,000 kilowatts and I presume it can be heard readily in this locality. Recently the Canadian Broadcasting Corporation made a recommendation to the Canadian cultural commission that radio licence fees be increased to $5 per set or per family, I am not sure which. Since that suggestion was presented to the commission I have received a

resolution passed by the Windsor city council on September 20, 1949, which reads as follows:

That a strenuous protest be made to the dominion government against the proposal of the Canadian Broadcasting Corporation to increase the annual radio licence fees from $2.50 to $5, particularly in view of the general opinion in this area that no fee should be charged for receiving sets; and further that copies of this resolution be forwarded to the local members of the government.

I propose, Mr. Speaker, to address myself solely to one point, namely, the inequality, the unfairness of the imposition of a radio licence fee of any kind. I do this because of an answer given by the appropriate minister to a question which I had on the order paper. As I said, I am not going to discuss the economics of the Canadian Broadcasting Corporation. I am not going to discuss the value of the Canadian Broadcasting Corporation. The Canadian Broadcasting Corporation is doing a fine job probably under difficult circumstances, but I do say that the imposition of a radio licence fee is an unequal and unjust imposition of a charge on the Canadian people who pay it. The bureau of statistics informed me that at the last census there were 2,706,089 households or families in the Dominion of Canada. I give that figure because that is the year in which the census was taken. It is estimated by the said bureau that in 1948 there were 3,235,000 households in Canada. The bureau of statistics gives the number of radios in the various provinces of Canada in 1941. I will give Manitoba first. In Manitoba 79 per cent of the households had a radio. In Saskatchewan 75·7 per cent had radios. The total in Canada was 77·8 per cent. I quoted these two provinces because they were the 1941 figures. But a census was taken in the western provinces in 1946 which shows that in the prairie provinces the number of radios in the households had increased to 91·5 per cent. That figure applies to Brandon and other cities. Flin Flon had 92·5 per cent, and so on. From those figures, Mr. Speaker, it is my opinion that about 90 per cent of the homes in the prairie provinces have radios. We can safely assume that a minimum of 90 per cent of all the homes in Canada have radios. Let us look at the sale of radio licences. In 1940-41 there were 1,454,717 radio licences sold. In 1948 there were 2,057,799 radio licences sold. In 1941, therefore, judging from the figures I have quoted and assuming that there were 75 per cent of the households with radios, of the 2,706,089 households 25 per cent did not have radios. That would mean that there were 676,522 households which did not have radios, leaving 2,029,567 which did have radios. I do not want to bother the house with statistics.

In 1941 two million and some odd thousand did own radios. There were 1,454,000 odd radio licences sold. Therefore there were about 575,000 persons who did not buy radio licences, which is considerably over 25 per cent of those owning radios who did not purchase a radio licence.

Again quoting the 1948 figures of the bureau of statistics, there were 3,235,000 households. Ninety per cent of them owned radios. In other words, 2,911,000 odd owned radios; but there were only 2,057,000 radio licences sold. Therefore there were 854,000 odd who did not purchase radio licences.

Mr. Cruickshank: Shame.

Mr. Brown (Essex West): My hon. friend says "Shame". I hope he is not one of them. That means, Mr. Speaker, that between 25 per cent and thirty-three and one third per cent or one-quarter and one-third of the Canadian people did not purchase radio licences. I cannot see therefore that the imposition by the present method of a radio licence is at all justifiable because of the fact that three-quarters or two-thirds of the people are paying for a licence and the other one-quarter or one-third are not paying anything whatsoever. Therefore, so that the government may have some idea of what is thought by one member of parliament who represents a constituency which is not at the present time serviced by the Canadian Broadcasting Corporation, I would strongly recommend that the government totally abolish the imposition of a radio licence fee and take the funds out of the general fund of the Dominion of Canada so that there may be equality and justice to all such persons resident in this Dominion of Canada.

LOCATION OF TERMINUS OF OIL PIPE LINE

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, the subject I wish to place before the house tonight comes, in reality, in the form of a question, namely—whether the terminus of the main oil pipe line from western Canada should be in the United States or at the lakehead in Canada? I bring this matter up in this way and at this time because while the government appears to be partially committed to a terminus in the United States, I believe it is not yet too late to make a change in that policy. This is one of those questions, the decision concerning which may have far-reaching effects on the nation.

For that reason I make no apology for bringing this matter before the house tonight. In doing so I realize the Minister of Trade and Commerce (Mr. Howe) will probably have an opinion contrary to my own.

Pipe Line Terminus

Mr. Howe: You state yours, and let me state mine.

Mr. Green: Well now, I started out trying to be on friendly terms with the minister but, as he does so often, he has very quickly flared up, and shown this dictatorial attitude which does not go down well in Canada. I would remind the minister that on other occasions, when he was so sure he was right, he was completely wrong. Two examples are, first, when he said we could not possibly make tanks in this country, and secondly when we proposed to the government that there be merchant ships built in Canada, when shipping was so short during the war, and he said that it was foolish to waste our time in the peacetime occupation of building ships. Shortly after that his ship was torpedoed on the way across the Atlantic, and it was not very long until Canada was right into a big shipbuilding program.

Mr. Howe: This is a pretty intelligent discussion!

Mr. Green: I am just pointing out that the minister has been all wet before.

Mr. Howe: And they send people down all the way from Vancouver to talk like this!

Mr. Green: And I think he is all wet on this question. I hope that a great many members of the house, regardless of the party to which they belong, will agree with me—or at least will give the question the very serious consideration it merits.

I should like to outline the steps which had been taken by the house. As a result of the discoveries of oil in Alberta the government at the spring session brought in a bill called the Pipe Lines Act. It was a bill laying the legislative framework for regulating pipe lines in Canada. Wide powers were given under the act to the board of transport commissioners, included among which was the power to rescind, change, alter or vary any order or decision that they might have made. I point that out because they have already made an order in connection with the routing of this pipe line.

Then there were several private bills brought in incorporating different companies. The government policy was that a company which was to establish a pipe line for oil or for gas must be incorporated by act of parliament. I believe that was a wise provision. One of the companies so incorporated was known as the Interprovincial Pipe Line Company. It is a company controlled, I believe, by Imperial Oil Company Limited. There may be other oil companies interested in it, but I think control is in the hands of Imperial Oil.

The bill incorporating the Interprovincial Pipe Line Company was sent by the house to the committee on railways, canals and telegraph lines. This happened in the last day or two of the session, when there was a great rush and the committee sat for only a few minutes. During that time it considered several bills, so that there was very little opportunity to go carefully into the plans of these different companies.

Some evidence was given before that committee that the Interprovincial Pipe Line Company might be running their pipe line through the United States rather than to the lakehead in Canada. But as I remember it, the statement with regard to the routing of the pipe line was not a definite one.

Subsequently, in June, the company applied to the board of transport commissioners for permission to construct a pipe line from Edmonton to Regina, and permission was given. I am not quarreling with that order, because I think it was proper that they should be given that right. There is however one feature about it which gives me some concern. We understood last spring that these pipe lines were to be common carriers. In other words, they were to carry the oil offered by all companies no matter how large or small. But while the chairman of the board appears to have raised the point during the hearing, the order does not state that this pipe line is to be a common carrier. I do not understand why such provision was not made.

Then about a month ago they applied for permission to construct a pipe line from Regina to Gretna, on the boundary between Manitoba and the United States.

Mr. Carroll: What is the name of that place?

Mr. Green: The place is called Gretna. One finds in looking over the evidence and reading the judgment of the chairman of the board of transport commissioners that it was clearly understood that the pipe line was not to stop at Gretna, but was to go right through to Superior in the state of Wisconsin, Superior being a port on lake Superior.

We find also that the capacity of the pipe line was to be 70,000 barrels daily, of which 35,000 was to be piped through the states in bond, and then shipped down to the Imperial Oil refinery at Sarnia. The other 35,000 barrels apparently was to be refined at Superior, or at some other point in the United States. Finally the company obtained an order from the board of transport commissioners on September 12.

Then they had to get a permit from the Minister of Trade and Commerce before they could build a pipe line. They got that permit on the following day, September 13.

Mr. Cruickshank: Of this year?

Mr. Green: This year, just a few weeks ago. That permit by the Minister of Trade and Commerce (Mr. Howe) was issued under the provisions of the Electricity and Fluid Exportation Act, which is chapter 54 of the Revised Statutes of Canada. Under that act wide power is given to issue licences and also to revoke them. Section 7 contains a provision which I think is significant and which reads:

Any such licence may provide that the quantity of power or fluid—

Oil would come under "fluid".

—to be exported shall be limited to the surplus, after the licensee has supplied for distribution to customers for use in Canada power or fluid to the extent defined by such licence, at prices and in accordance with conditions, rules and regulations prescribed by the governor in council.

Mr. Cruickshank: Has this company the necessary finances available?

Mr. Green: The board found that the company is adequately financed.

Mr. Cruickshank: Have they those finances now?

Mr. Green: Imperial Oil Limited has given an undertaking that it will stand behind the company in the event that the company's own finances are not sufficient.

Mr. Cruickshank: I am against the way this is being done. That is why I ask.

Mr. Green: I think that is a good provision in the act. It shows that the legislators—apparently the act was passed as far back at least as 1907—believed that Canada should be looked after first before power or fluid was exported. That is the essence of my submission tonight, that Canada should be looked after first.

Construction of this pipe line between Edmonton and Regina may have been commenced, but I understand no construction has been started on the line from Regina to Superior and it may not be too late for this question to be given further consideration.

A most significant statement was made last week by officials of Imperial Oil Limited. There had been agitation at the lakehead to have the pipe line go through Canada to which the answer was given that it would cost approximately $10,600,000 more to construct it to the lakehead than to Superior and over $400,000 more each year for operating expenses. It was stated also that there would be some delay in building it to that point; in other words, that the pipe line could not be completed to the Canadian lakehead as quickly as it could be to Superior. My argument tonight is in spite of the admission of all those facts. Imperial Oil officials went to Fort William last week and a press dispatch from there dated September 27 reads as follows:

If government assistance is given Imperial Oil to study the possibility of an easily transversed pipe line route through northwestern Ontario, and, if necessary, to subsidize the project, the company will consider terminating the line here, top officials of the oil company stated today.

The officials who were there were P. H. Hewitson, chairman of the board; G. L. Stewart, president; J. R. White, vice-president; and Dr. O. B. Hopkins, president of the subsidiary company, Interprovincial Pipe Line Company. The press dispatch goes on:

The oil men told a gathering of lakehead civic officials and other local citizens at Fort William today that the purpose of the proposed pipe line from Alberta is not to serve the American markets, but to supply their refinery at Sarnia.

You will remember that the evidence before the board was that half the oil was to be refined in the United States. The report continues:

They said it was decided to terminate the line at Superior, Wisconsin, rather than at the Canadian lakehead, because the American route would cost less and could be built sooner. Since the company had to borrow the money to finance the project, the economic factor had to determine the route. Time was also of utmost importance.

That statement has not been contradicted by the officials since the press dispatch appeared. The hon. member for Moose Jaw (Mr. Thatcher) asked the Minister of Trade and Commerce about it on September 28 as reported on page 317 of *Hansard*. His question reads:

Has the attention of the Minister of Trade and Commerce been drawn to the reported offer made yesterday to civic officials in Fort William by Imperial Oil Limited to build its pipe line through Canadian territory to Port Arthur if government assistance is forthcoming? Will the government investigate the offer, with a view to reconsidering its former decision?

The Minister of Trade and Commerce gave a peculiar answer which I am going to read to the house:

My hon. friend suggests that the government has made a decision. So far as I know, the government has made no decision. A private project has been placed before it, and the appropriate branches of government acted upon that project as required by law. The government has received no proposal in the matter, and I doubt whether a proposal will be made to the government concerning a private project of this kind.

This is not a private project in the ordinary sense; it is a project of vital importance to every part of Canada and it should be treated as such. My submission is that the main pipe

line should be laid in Canadian soil. All this brings to mind what happened when the Canadian Pacific was built across Canada. One of the moving spirits in that project was Mr. James J. Hill, Jim Hill. He was originally one of the directors of the Canadian Pacific Railway Company and believed that part of the line should be built through the United States. When he was unable to get his way with the board he left the Canadian Pacific and established the Great Northern which was built across the United States. He ran feeder lines into Canada in as many places as possible in an attempt to get Canadian trade for his main line in the United States. I know there were several branch lines running up into British Columbia to tap the resources of that province.

I suggest that in 1949 we do not want to have anything of that kind happen. I believe most sincerely that the main pipe line should be laid in Canadian soil.

Apparently some of the oil is to be shipped to Sarnia. I believe that it should be shipped from one Canadian port to another. Dock facilities are to be built at Superior, Wisconsin, instead of at the Canadian lakehead. I would remind hon. members from the maritimes of the trouble they have had for decades because Canadian freight was shipped from Portland, Maine, instead of from Halifax and Saint John. No one can justify that. I believe that those two great Atlantic ports have been dealt with most unfairly by Canadian governments, and we do not want a situation of that kind arising in this case. Let us have this oil shipped by Canadian tankers from one Canadian port to another.

I also believe that the oil should be refined and used in Canada to the greatest extent possible. Certainly we should sell any surplus to the United States; but let us use this oil in Canada to the greatest possible extent. The same question will arise in a year or two with regard to the iron ore of Quebec and Labrador. The house is going to be faced with the problem of whether that iron ore is to be made into steel in Canada, or be shipped to Cleveland, Boston or some other centre in the United States, and turned into steel there.

Another reason why I believe there should be a change in the plan is because of what this can do for Canada if the line is kept in our country. Let us take the situation at the lakehead. The trans-Canada highway is to be built very shortly, I hope. There will be tremendous traffic through the lakehead cities on the trans-Canada highway, not only tourist traffic but also trucks. I am looking forward to that time because I am quite sure the trucking will be a check on railway freight rates. That is one way in which western Canada will get freight rates reduced to what they are in Ontario and Quebec. There is certainly going to be a great deal of traffic on the trans-Canada highway through the lakehead cities if the trans-Canada highway is a proper road.

Mr. Howe: Tell me about the lakehead.

Mr. Green: We may be facing a similar situation on the west coast a few years from now. We may have the suggestion made then that it is cheaper to run a pipe line down to Seattle, Spokane or Portland, and we may have oil from the prairies or from the Peace river portion of British Columbia piped into those United States centres for refining. At the moment it is the great lakes area that is involved, but eventually the west coast may be facing a similar problem.

Finally I believe that in the oil development and in the iron ore development we have tremendously important factors in the building of a great nation. They are perhaps the two most important developments that have taken place in Canada in the lifetime of anyone in this chamber tonight. I hope that Canada's oil is not merely to be used as a reserve to be taken down into the United States when it is needed there after their oil fields have become exhausted. There is a real danger of that taking place if the policy is to be formulated by oil companies rather than by the Canadian parliament. It would be a tragedy if that should happen.

I do not believe that the government can evade its responsibility in the matter. I think that the Minister of Trade and Commerce (Mr. Howe), in his answer to the hon. member for Moose Jaw (Mr. Thatcher) on September 28 and also in his answer to an earlier question on September 19, which will be found at page 29 of *Hansard,* was not facing up to his responsibilities. I am quite sure that, if the government so desires, this plan can be changed and the main pipe line can be laid to the lakehead. I urge upon the private members of the house that they take a stand on this question even though the minister may seem very determined to maintain the present plan. I hope that private members of the house of all parties will go into the question thoroughly, and that they will not be afraid to take a stand on this issue which, in my opinion, is of vital importance to the nation.

Right Hon. C. D. Howe (Minister of Trade and Commerce): I have heard many arguments in the house, and none so fallacious as the one to which we have just listened. One would think that this is the first pipe line ever built in Canada to market oil which crosses the Canadian boundary. Most hon. members know that Canadian interests built

a pipe line from Montreal to the seaboard within the last ten years. If the argument of my hon. friend is valid it was quite improper to build that line from Montreal to Portland. The line should have been built from Montreal to Saint John, or possibly from Montreal to Halifax. True it would have raised the price of oil in the Montreal area by two or three cents, but what is that? My hon. friend would say that two or three cents a gallon on oil is nothing at all if national pride and the little Canadian viewpoint can be preserved. Anything built to serve Canada must be built through Canada.

I would also remind the hon. member that for a great many years Canada has been served at Sarnia by a pipe line built from the mid-continent field of the United States. I can say that, if that pipe line had not crossed the international boundary to serve Canada, Canada would not have fought very much of a war in the last conflict.

What is the purpose of the pipe line from Alberta? It is to bring Alberta oil to market. My hon. friend says that the markets must be in Canada, and since we believe we have there one of the great oil fields of the world he follows through and says, "All right, if it is necessary to market the oil, pipe it down to Halifax."

Mr. Green: I did not say that.

Mr. Howe: Certainly you said it. You said that the oil must be used in Canada.

Mr. Green: Mr. Speaker—

Mr. Howe: Well, now, sit down and let me make a speech.

Mr. Green: On a question of privilege, I do not mind what the minister says provided he does not put words into my mouth. He said that I said a pipe line to Halifax. I said no such thing. He must stick to what I said if he is going to quote me.

Mr. Howe: Where would this line stop, at the lakehead?

Mr. Green: Yes.

Mr. Thatcher: Stop at Port Arthur.

Mr. Green: Stop at the lakehead.

Mr. Howe: I know quite a lot about Port Arthur, and I know the purpose of the speech which has just been made.

Mr. Green: The minister is imputing motives. I made my speech because I believe in what I said. He has no right to say that it had to do with anything else. He has no right to impute motives.

Mr. Speaker: I did not understand the minister to impute any improper motives.

Mr. Fraser: He certainly did, Mr. Speaker.

Mr. Howe: If I may resume, the purpose of the pipe line is to bring Alberta oil to market. If it is reasonable to carry that oil to Halifax in order to find a market in Canada, then the market should be confined to Canada. As a matter of fact the only permit issued under the Electricity and Fluid Exportation Act is one to transport oil from Alberta to the Sarnia refinery. No permit has been issued as yet for the marketing of oil in the United States. However, I think the province of Alberta has a distinct interest in this pipe line. After all, crude oil prices in Alberta will be determined by the refinery prices at the marketing points less the cost of transmission, and the cost of transmission will include the operating expenses and amortization of the cost of the pipe line. My hon. friend said, "Add another $10 million to the cost; add another $400,000 or $600,000 to the operating expenses. Let the province of Alberta pay that."

Mr. Green: I did not say that.

Mr. Howe: Well, who is going to pay it?

Mr. Green: Go ahead and make your speech, but don't misquote me.

Mr. Howe: Certainly the cost of the pipe line must be paid by the oil it transmits; I know of no other source of income for a pipe line. Therefore the board of transport commissioners considered an application to build a pipe line from the oil fields in Alberta to Superior, Wisconsin, to transmit oil to Sarnia. That is a Canadian movement. The ships carrying the oil to Sarnia from Superior must be Canadian ships, under the coasting laws of this country. I think the board of transport commissioners were right when they said it had been proved that this was the economic route from Edmonton to Sarnia. They looked into the financing and found that the American portion was going to be financed in the United States, so there would be no drain of American dollars from the Canadian reserves. They found that the Canadian portion was going to be financed in Canada. They found that there would be a definite saving in the cost of marketing oil by that route, and accordingly they approved the application. The government, through the Department of Trade and Commerce, issued a permit for the transportation of oil through that pipe line from Edmonton to Sarnia.

Those are the true facts of the case, distort them as you like. My hon. friend says this private venture—for it is a private venture—should not have been permitted, that we should have told the owners, "If you want to build this pipe line at all you must spend another $10 million to take it to the lakehead." I cannot see the economics of that

situation, what would be the *quid pro quo* for the extra $10 million. It is true that there would be a pipe line terminating at the lakehead instead of at Superior, but is that worth $10 million? There is no possibility of a refinery at the lakehead, as far as I can see. Refineries are built in centres of distribution, and it is very unlikely that the lakehead would ever be a centre of supply. So my hon. friend would assess the province of Alberta and its oil resources a capital payment of something over $10 million and additional operating costs of at least $400,000 a year in order that his ideas of geography might be followed. I claim that the economics of the situation, the common sense of the situation and every other factor involved indicated that the application of Imperial Oil should be approved.

My hon. friend objects to marketing Canadian oil in the United States. Let me point out to him that it is very fortunate for Canada that the United States have not taken that viewpoint. We have been beggars for oil in the United States. In the tightest situations in that country—and I can tell my hon. friend there have been some tight situations—when oil was rationed from one end of the country to the other, Canada was always given the supplies of petroleum the country needed. In my opinion international commodities such as oil, that move freely from country to country and continent to continent, should not be confined by geography. The sensible way to market international commodities such as petroleum is to move to the markets nearest the source of supply. If this House of Commons should say to Alberta, "We are very sorry, but we need that petroleum in Canada, and you cannot market any in the United States until you serve all Canada," not only would the oil economy of the province of Alberta be wrecked beyond repair, but the good relations that have existed between the United States and Canada with respect to the supply and distribution of petroleum also would be wrecked. Certainly it is in the interests of the users of petroleum to get that commodity from the cheapest source. For eastern Canada and perhaps in the Montreal area that cheapest source is still the Caribbean or the gulf ports of the United States. The best market for Alberta oil is that which could be made available nearest to the source of supply, and part of that market eventually may be in the United States. To market oil in the United States simply means that you convert that oil into American dollars which you use to obtain oil from the cheapest source for other parts of Canada, and that is the sensible way to view the marketing of petroleum.

My hon. friend speaks of iron ore. Iron is in exactly the same position. We have been a deficit country in iron ore, but the fact that we have not had iron ore has not prevented the development of the steel industry of this country. We have in Canada a very efficient steel industry. The iron ore for that industry, as far as central Canada is concerned, has come largely from the Mesabi range in the United States. In part that is being replaced by ore from Canadian sources, from Steep Rock and from the Helen mine in the Algoma district, but a large proportion of our iron ore still comes from Mesabi, while a large percentage of the Canadian ore is sold to the United States. I do not know whether my hon. friend sees anything wrong in that; it is a natural movement. The ore is sent where it brings the best price; if it has the proper qualities it is bought by the steel companies whether it is Canadian or American ore. It moves without trade restriction and as the economy dictates. I cannot follow my hon. friend at all when he says Canadian ore must be used in Canada. It does not make sense. That is the viewpoint of a little Canadian. This a trading country, and any supplies we have in surplus should be traded for supplies in which we have a deficit.

Getting back to the pipe line, I stand on the statement I have made; that the government had no reason whatever to interfere with the project of the Imperial Oil Company for the marketing of Alberta oil. So far as my department is concerned, it issued a permit for the movement from Alberta to Sarnia through the route of the pipe line. I have no apologies to make.

Mr. George A. Drew (Leader of the Opposition): Mr. Speaker, I think it should be possible to discuss this subject without getting away from the basic contention of the member who raised it. There are two points of view that have been expressed by the minister that do not go hand in hand. First of all, he made a statement that this pipe line was being carried through to Superior but that no licence had been granted for marketing the oil in the United States. The oil is to be carried to Sarnia. The rest of his argument was directed to the proposition that we should sell our oil in the United States. It is one or the other.

Mr. Howe: Oh, no.

Mr. Drew: The point is this. If the oil is to be carried to Superior for the purpose of selling it in the United States then let us know that now. The statement of the minister lends support to the belief that is developing that the construction of the pipe line to Superior is not for the purpose of carrying

Pipe Line Terminus

oil to eastern Canada but is to supply the Chicago area with oil. The geographical relationship of Superior to that natural market is apparent.

There is every reason why we should have regard for the extremely generous way in which the United States has made its supplies of oil available to us. There is every reason why there should be a high measure of free interchange of understanding and good will between these two nations. Long before there was a pipe line built from the mid-continent field to the refineries at Sarnia, the United States centres had been supplied by pipe line. They made certain of their own supplies, as was their legitimate duty. It is the duty of Canadians to make sure they have pipe lines where they are needed before this new supply of oil is shipped to outside points. There is a vital need for oil in our country. It is one of our deficit resources.

Within the past few years, we have seen one of the most remarkable developments in the whole world. On the basis of the clearest evidence than can be obtained, there is every reason to believe the Alberta field is merely the core of one of the greatest oil fields in the world. Canada has been a beggar for United States oil, as the minister has said. It is a strange thing for a beggar to start giving away the thing he was begging the minute he gets it into his own hands. We are just commencing to reach a position where we can meet this great domestic need of modern industrial nations. Oil is the basis of modern transport. The use of it in our homes and elsewhere has been growing to an extent no Canadian visualized. We now see before us a great source of oil. At such a time our first obligation is to supply our own centres with that vital fluid by means of a pipe line. Let us make every barrel of oil which is surplus above our requirements available to our neighbours.

The right hon. the Minister of Trade and Commerce (Mr. Howe) has stated, and stated very properly, that we should export our surplus, trading it for what is a deficit. We are a long way yet, a very long way, in spite of the prospects before us, from being in a surplus position in regard to oil. This is our first venture of this sort. We have only begun to realize the potentialities of this vast field. This pipe line is the first that is to bring the oil from this great field to the east. The minister may dismiss the statement that was made, that, if necessary, it is worth an extra $10 million to carry that pipe line through to the lakehead. This country has spent a great deal more than $10 million on things less productive of results for the future of Canada. It is true that it might cost an additional $400,000 per year in servicing charges for the extra pump that would be required because of the additional 120 miles that would be covered in going through to the lakehead instead of Superior.

If that argument is sound, then why did we ever build railroads across Canada? In some places, we could have used the United States lines. We built railway lines in Canada because we wanted our own transportation system for the opening up of our own areas. In the building of this pipe line we must look not only to the immediate use of the oil, not only to the immediate consuming power of the lakehead area, but also to the future of that whole area from Sault Ste. Marie through to the Manitoba boundary. This area would naturally be served by a refinery at the lakehead. I mentioned going through to the Manitoba boundary because I understand there will be refineries at different points farther west along this line that would meet the consumer demands of centres of population such as Winnipeg and Regina.

When the minister says there should not be any reason for building a refinery at the lakehead it strikes me as strange, in view of the fact there are many places which must be within the knowledge of the members of this house in which refineries have been built to supply areas that consume a great deal less oil and gasoline than would be consumed in the lakehead area. It is a rapidly developing section of the country. This area is not confined to the lakehead cities alone, but would include the mineral developments to the northeast, to the north, and to the northwest, to say nothing of the tourist demands in that area. All this would create a greater demand for gasoline and oil than the amount consumed in many smaller nations of the world today in which refineries have been built to meet the local demand. If, for the sake of argument, the demand now might seem a little less than would call for the construction of refineries elsewhere, one has only to look at the immense potentialities of that area of Canada, to realize what has happened in the past few years and what is going to happen in the years immediately ahead, and to understand that with this source of gasoline and oil available new industries and new developments would be established.

After all, it seems to me that is one of the first things to which we should be looking as Canadians. We have seen the development that is taking place in Canada from one coast to the other through the employment of our great water resources. We have seen the development that has occurred through the use of our other raw materials. Now, when this new and rapidly expanding source of

development is becoming available, then it seems to me that, in every way that is within the power of the representatives of the people of Canada, this oil should first be made available to the people of Canada for the development of Canadian opportunities.

We have a very long way to go before we shall begin to meet our own demands. I understand that we are bringing in from the United States something in the neighbourhood of 350,000 barrels of oil a day. It is going to be a very long time before any of our friends in the United States can reasonably say to us, you are being unfair if you make use of these new sources of oil for your own country to fill the gap which is at the present time such a very heavy drain upon your own Canadian dollars. Yes, it is true that we shall receive Canadian dollars for such oil as may be piped outside of Canada, and in the very statement that the minister made he indicated his own belief that the oil that is going to Superior is going to the United States and not to Sarnia. There would have been no meaning in that statement if he did really believe that the oil was going to Superior, then to be carried by Canadian ships to Sarnia. Certainly, that is where it is going. Look at the map. It is going into the Chicago area unless there is some explanation that has not been put before us. It is the reasonable location for that oil, and the minister makes it quite clear that he thinks we are going to reap American dollars from the export of oil through this pipe line. Let every one of us hope that this vast field will reach such a point that we shall produce more oil than we need in Canada. Let us hope also that, with the pilot plants which are now being built, within the not too distant future a practical system of cracking the oil from the oil sands in Alberta will have been discovered; and when that happens the greatest concentration of oil in the whole world will have been made available. At such time as we have met our own basic requirements and opened such possibilities of development as reasonably accompany this new source of production, let us have interchanging lines. This is only the first line. There will be many others, and the producers of Alberta will certainly want to see a number of lines carrying oil.

Let us remember that this pipe line is not just a pipe line of a subsidiary of the Imperial Oil. It is a common carrier to carry oil for any company that will be supplying oil through that pipe line. In its own particular way it is a common carrier such as the railways might be. If Canada was wise in the past in facing the heavy costs of building railways across the north shore of lake Superior instead of following the easier course south of the border; if we were right in the costly construction of lines through the Rocky mountains instead of simply diverting the lines down to use the United States lines that were already built there at costs far in excess of anything involved in this case: then it seems to me that for the very same reasons and for the very same motives, and for motives that would appeal to our American friends, the strength of whose nation was founded on legitimate self-interest, they would understand perfectly well why we are doing this, and would acclaim our common sense in making sure that as the first step when we put our first oil line in it goes to a Canadian outlet where our ships from a Canadian port can carry that oil to Sarnia or to any place else; and that such oil as is not carried in that way can be refined, if not immediately, at some time in the not distant future, when the expansion in that area will itself be encouraged by the availability of this supply, and when that very expansion will encourage those who are concerned with this into the construction of a refinery at the lakehead, not merely for the lakehead cities but for that whole great area with its agricultural, its mineral, its forest and its enormous resources, in addition to the industrial possibilities related to iron and the other metals which are available in that area, as well as to the industries based upon wood products and the other resources that are there.

There may be reasons on both sides, but let us be quite clear about this. In the latter part of his statement the minister was clear that in his mind there is going to be an export through Superior to the United States. By all means let us co-operate in every way with our friends in the United States; but let us make sure first that we do the same thing in Canada that they did to build the United States, and that in the first stages we make sure that we get the fullest possible development that will result from these new discoveries that challenge the imagination of young Canadians in the years ahead.

Mr. Solon E. Low (Peace River): For two main reasons I rise to say a few things about the problems that have been discussed here tonight. First, I want to join with the hon. member for Essex West (Mr. Brown) in protesting against any increase in the fees charged by the Canadian Broadcasting Corporation for radio licences.

Mr. Speaker: May I draw to the attention of hon. members a citation from Beauchesne's parliamentary rules and forms, third edition, which has a direct bearing on the discussion of grievances which are raised when a motion

to go into supply is before the house. I refer hon. members to paragraph 345, the latter part of which reads as follows:

> Members may discuss various matters on the motion for the Speaker to leave the chair without any amendment being proposed; but once debate is stopped on one matter and another matter intervenes, members cannot again discuss the former.

Mr. Low: Yes. Mr. Speaker, oftentimes it is difficult for you to see hon. members who want to take part in the discussion of a certain topic, and I presume you did not see me try to rise in my place on one or two occasions. However, that is beside the point at the moment. I do want to throw a little light on the subject that is now under discussion, namely, the question of the pipe line which was introduced by the hon. member for Vancouver-Quadra (Mr. Green). In this house debates often seem to generate much more heat than light and I am afraid that this is one of the occasions when that has happened.

There is one point that has not been made clear, and I am sure that hon. members would want to know all sides of the question before the debate is closed. I can quite agree with the hon. member for Vancouver-Quadra and with the leader of the opposition (Mr. Drew) that every hon. member should be much concerned about where the pipe line is to go and what the end result is to be.

I believe every member will agree that the first call on the oil being produced in Alberta should be from the Dominion of Canada. I do not think anyone questions that, not even the minister himself. I believe he agrees that under normal circumstances we should have the first call on the oil right here in Canada, provided we can bring it into the market at a competitive price. That is something that enters into this whole problem.

Pipe lines are costly, and to reach markets of any size, from the province of Alberta where oil is being produced, there are great distances to cover in Canada. If it is possible to effect an exchange of oil with the United States under which we agree to supply them with oil from Alberta in areas closer to the source of the supply, they in turn to bring oil across to us in Canada at a lower price, then it seems to me that the people of Canada are gaining by the arrangement.

I should like to mention something which perhaps was overlooked in the debate in the speech from the throne. On September 28 the hon. member for Wetaskiwin (Mr. Thomas) placed on *Hansard* a statement that had been made in Alberta by the Hon. N. E. Tanner, minister of lands and mines in the legislature, dealing with this important topic. I believe it is quite clear on this one point we are now discussing, where it states:

> . . . a petroleum exchange agreement may soon be signed with the United States allowing Alberta to export oil to that country. Under the agreement, the United States would buy oil at the lakehead; eastern United States producers in turn would sell oil to eastern Canada. Mr. Tanner said such an agreement would only be possible after the completion of a proposed pipe line from Regina to the great lakes.
>
> Mr. Tanner said that if such a policy were not agreed to by the United States, Alberta oil could only be shipped to eastern Canada at a greater cost.

That is reasonable and right. Surely we in Alberta, who are very much concerned about the markets for our oil, are going to watch every one of these possibilities, and we are going to try if we possibly can to see to it that priority is given to Canadian needs. But at the same time if we can see to it that oil is placed in the homes of Ontario and Quebec at cheaper prices by piping some of our oil from Alberta into the United States, then I think that is good economy.

I believe this point was not made sufficiently clear, and I inject these remarks into the debate only to try to clarify the point. Let me emphasize that we in Alberta are anxious to see that all the Canadian people, so far as is possible, do benefit from the discovery and the development of the oil industry in our province. We want to see to it however that, if we can assist the United States, which, as the minister has said, has certainly assisted us, then we should do so, while at the same time making every agreement we can to ensure that eastern Canada can benefit also by an exchange agreement.

Motion (Mr. Fournier, Hull) agreed to, and the house went into committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF FISHERIES

101. Departmental administration, $360,900.

Item stands.

DEPARTMENT OF MINES AND RESOURCES

172. Departmental administration, $365,500.

Item stands.

DEPARTMENT OF PUBLIC WORKS

326. Departmental administration, $264,135.

Item stands.

DEPARTMENT OF TRADE AND COMMERCE

413. Departmental administration, $468,107.

Item stands.

DEPARTMENT OF VETERANS AFFAIRS

526. Departmental administration, $2,157,024.

Item stands.

Progress reported.

Supreme Court Act

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed consideration in committee of Bill No. 2, to amend the Supreme Court Act—Mr. Garson—Mr. Beaudoin in the chair.

The Deputy Chairman: At the adjournment the committee was considering an amendment by the hon. member for Kamloops to section 3.

Mr. Fleming: Mr. Chairman, I have only one or two observations to make, and I make them in reply to the observations uttered this afternoon by the Minister of Justice.

I wish to take up first of all his assertion that those who had any part in supporting this amendment were prompted by a lack of confidence in the Supreme Court of Canada. I reject his assertion in its entirety. I would tell him, if I may, that by introducing red herrings of that kind I do not think he contributes anything constructive to the debate.

I should think he would appreciate that what is involved here is a point so important as to have commanded not only the attention of but also a resolution from the Canadian Bar Association. If the minister is correct in his statement, that those who introduced and supported the amendment now before the committee were prompted in doing so by a lack of confidence in the Supreme Court of Canada, then he must say the same thing about every member of the Canadian Bar Association, from the president down, including judges who in large numbers are members of that body, and who took precisely the same position as that embodied in the amendment before the committee tonight.

If he is consistent in making a pathetic assertion of that kind, it means also that every time a body such as parliament undertakes to change a law, as it has been interpreted by the courts, parliament is expressing a want of confidence in the courts. It is utter nonsense to make an assertion of that kind in the House of Commons—utter nonsense.

It means, too, that legislatures of the provinces are expressing a want of confidence in the courts when they introduce measures which are to be found in every province throughout Canada in the form of declaratory acts. Every time a new court is set up there has to be some definition of the law to be applied, and we know perfectly well that when the superior courts of all the provinces were set up declaratory acts were passed to define the body of law which those provincial courts should apply.

If the minister is right, then every time a provincial legislature enacted a law of that kind it was expressing want of confidence in the courts of the province. To state a proposition in that form is to expose its utter absurdity. All I have to say, in conclusion, concerning that example of empty demagoguery which was offered to the House of Commons this afternoon by the Minister of Justice, is to say that it is utterly absurd.

I want to deal with something that has some substance because I gather from the questions that have been asked by some hon. members that there is some difficulty about it. I refer to how far we may go in assuming that the principle of *stare decisis* will be acknowledged by the Supreme Court of Canada with respect to past decisions of the privy council unless some such legislation as is proposed by the present amendment is introduced into this bill. The hon. member for Yorkton asked a question this afternoon somewhat to this effect: If the Supreme Court of Canada gave effect to the principle of *stare decisis* with respect to past decisions of the privy council, what would be the need of this amendment? I point out to the hon. member that if we proceed on that basis we are assuming that the Supreme Court of Canada will apply the principle of *stare decisis* to past decisions of the privy council. I do not think we are entitled in a matter of such vast importance, not only for the established jurisprudence of this country but for the preservation of the rights of the provinces, to make that assumption.

When we are taking the far-reaching step involved in section 3 of this bill of giving the Supreme Court of Canada final and exclusive jurisdiction in connection with all litigation in Canada, we are not entitled to leave a matter of such importance in the realm of uncertainty. That is why it is incumbent upon this parliament in enacting this measure to see that safeguards which are absolutely vital and which may yet prove to be highly essential are provided.

The minister treated the matter as being rather a simple one in this regard. Having in mind the long course of litigation in the courts of this country and in the privy council on constitutional questions which seemed to many people at one time or another to have presented simple issues, I think any man would be displaying a great deal of temerity to say that any question concerning the respective fields of jurisdiction in this country and the method of determining such disputes can be regarded as a simple one. It certainly never has been in the past.

Finally, as to whether this amendment is necessary: This parliament has frequently enacted legislation when it was thought that the law was established in the same way as the measure before the house is being

enacted to settle the law, but parliament at times was not prepared to take any chance as to the interpretation that the courts would put upon a situation. The legislatures of the provinces have done the same thing times without number. We have in mind instances where enactments have been passed, either by this parliament or by the legislatures, out of what we call in the courts an abundance of caution, just to be perfectly sure that nothing is being left to the doubtful outcome of litigation in the courts. Whatever may be the view of the majority in this chamber today, we have no right to assume in a matter of such vast and momentous importance to this country that this principle will be applied by the Supreme Court of Canada with respect to past decisions of the privy council after this measure has been enacted. Let us not leave it in the realm of doubt. We have it in our power to dispel any doubt, to put this matter beyond all possibility of challenge in the courts. Let us do so.

There is one subject that the minister has raised by way of challenge of the point that I have just made. He questions whether it is within the legislative competence of parliament to enact a measure of this kind because he says it is going to create substantive law and the power of parliament with respect to the Supreme Court of Canada does not extend to substantive law. That is an extraordinary proposition for anyone wearing the mantle of the Minister of Justice to offer in this chamber. Parliament is enacting substantive law all the time, law which is bound to come before the Supreme Court of Canada.

My submission is that this amendment does not go beyond the legislative competence of parliament. If there is any field where parliament might say to the Supreme Court of Canada that it shall be bound by the decisions of the privy council hitherto rendered, then certainly parliament within its own field of legislative competence is entitled to say that. If there is anything at all in the argument of the Minister of Justice in that respect it would mean that parliament in connection with those matters concerning which it possesses legislative competence is entitled to say what is said in this amendment to the Supreme Court of Canada. It would mean also that the legislatures of the provinces could say the same thing to the Supreme Court of Canada in connection with questions with regard to those subject matters that are confided by the British North America Act to the legislative jurisdiction of the provinces.

With respect to that point my submission to this house, and I think it is a fair one, is that so far as the legislative competence of this parliament extends, that is to say with regard to all those subject matters that are confided by the constitution of this country to parliament, as distinct from the legislatures of the provinces on the other hand, this measure is clearly within the legislative competence of this parliament.

I ask the house to consider the importance of this subject. If it is within our power to enact this measure, then surely it is within our power to say what the Supreme Court of Canada shall do with respect to applying the principle of *stare decisis* to that body of law laid down by the privy council.

Do not take my word for it. Apparently there is a difference of opinion among hon. members as to the necessity for it. In a situation of this kind, should we not have regard for the opinion expressed on this subject by the Canadian Bar Association? Should we not have regard for the statement by the president of the Canadian Bar Association which I read in the chamber this afternoon? That statement deals specifically with this very subject and was issued by him after the bill had been given second reading and this question had been raised in the house. There you have a clear expression of feeling by the Canadian Bar Association, which as I have said embraces judges as well as lawyers, that an amendment of this kind is needful and necessary and is within the legislative competence of parliament.

Mr. St. Laurent: Mr. Chairman, I should like to associate myself with the Minister of Justice in the opinion that the adoption of this amendment would be an expression of lack of confidence in the supreme court and share the opprobrium that flows from the strong language used by the hon. member for Eglinton. My reason for saying so may appear to him to be demagogic, but I shall submit it as briefly as I can for the consideration of hon. members.

I think he and I agree that the rule of *stare decisis* would make it the duty of the supreme court to follow the decisions that have hitherto been rendered and have become the law of this country. The judges of the supreme court have pledged their oaths to apply the law. If we are to express doubt that they will do so, we express a lack of confidence in their respect for their oaths. That seems to me to be elementary. If it deserves the strong language the hon. member for Eglinton used a few moments ago, I wish to share the opprobrium with the Minister of Justice.

The second point I should like to make is with respect to this resolution of the Canadian Bar Association. The hon. member has stated and repeated, in spite of the fact that I read the terms of the resolution, that it

does mean a request by the Canadian Bar Association to have that kind of amendment written into the bill. If that is so, then why did they pass a resolution—

Mr. Fulton: In the light of the later statement.

Mr. St. Laurent: In the light of the later statement by the president of the Canadian Bar Association? I submit with all respect that no one man, whatever be the position he occupies in the Canadian Bar Association, and I have occupied the office of president of that association—in my day—has the right to enlarge or modify the terms of the resolution adopted by that association. The argument of the hon. member is that because the resolution can have no other effect it must mean that the Canadian Bar Association wished it to be written into the bill. That is the best reason in the world for not putting this kind of amendment in the bill, because it is quite unnecessary, and there might be some honourable judges who, like the hon. member for Eglinton, would say: Parliament cannot have put that provision in there for no purpose whatever; let us find some use to which it can be put. That is what the hon. member does with the resolution of the Canadian Bar Association, and I think that is a most conclusive reason for not writing unnecessary provisions into statutes.

Mr. Pouliot: Listen to that.

Mr. St. Laurent: The third point has to do with the constitutional rights of this parliament to enact, on matters which normally are not within its jurisdiction, what would amount to substantive law. If this parliament has the right to say, otherwise than because it is the existing law, that the court shall do such and so, it would have a similar right to say that the court shall not do such and so; and to lay down a rule that the court would not be bound by the application of the *stare decisis* principle would be, I submit, something beyond the powers of this parliament.

If we have the right to deal with a subject matter we have the jurisdiction to deal with it as we see fit. If we see fit to say that *stare decisis* should apply, then it would be within our jurisdiction to say that it shall not apply, and in doing so we would certainly be attempting to enact substantive legislation in fields that might well be outside the jurisdiction of this parliament. I know that is not the position taken by the hon. member. He says that the rule of *stare decisis* is already a part of the law, and that by putting it in the bill we do not enact anything new. If we do not enact anything new then I submit it has no place in the bill, and that we should not write provisions into the bill, along the lines of the resolution of the Canadian Bar Association, that will have no effect whatsoever but be merely an empty affirmation of something which is quite as valid without it.

Mr. Browne (St. John's West): Mr. Chairman, I rise with great hesitation because what I am going to say is somewhat in opposition to what has been said by the Prime Minister. I have before me the eloquent speech which he made on the 23rd of September, and in which he was dealing with the question of *stare decisis*, I think in terms a little less careful than those in which he dealt with it this evening. May I be permitted to read what he said. He quoted the decision of the Canadian Bar Association that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee. I should now like to quote what the Prime Minister said, which is to be found at page 197 of *Hansard* of September 23, 1949, and reads as follows:

> That is something with which I entirely agree.

Mr. St. Laurent: Yes.

Mr. Browne (St. John's West): He went on to elaborate and to say:

> I think it is a part of the system of the administration of justice in British countries that the decisions are regarded as binding upon themselves and upon all courts of lower jurisdiction, until they are modified or set aside by legislative action. I think that forms part of the duties which a lawyer promoted to the bench promises on his oath to carry out.

Then he went on to say, as he said this evening, that he would not reflect upon the men who were appointed to the supreme court bench by suggesting for a moment that they would not carry out the duties of their oath of office. No one here is reflecting upon the ability and the integrity of the judges appointed to the Supreme Court of Canada, but what really incited us to put forward the amendment was the statement, which was quoted in the Ottawa *Journal* of June 2, of no less a person than the Chief Justice of the Supreme Court of Canada.

Mr. St. Laurent: Will the hon. member permit a question? Was he here when I explained that situation this afternoon?

Mr. Browne (St. John's West): Yes, I was present and I listened very carefully to what the Prime Minister said. I studied as much as I could about the decision because I greatly regretted, when I heard of the case in which the chief justice was reported as having made that extraordinary statement, that I could not find the case. I hunted through the library of parliament and it is not available. There is a report of the

Quebec case in the constituency of Beauce, the Independent member for which is present, and I found a picture of the Prime Minister eating ice cream at that place.

Mr. St. Laurent: In the law books? I should like to have the reference to that interesting volume of the law reports.

Mr. Browne (St. John's West): It is not in the law books, but it happened that on the 2nd of June, when this pronouncement was made by the chief justice of the supreme court, the Prime Minister was campaigning in the place where the defendant, who was appealing to the Supreme Court of Canada, had been originally arrested and tried. It was in the course of my investigation that I came across interesting things that were said during the campaign in Quebec, some of which would not bear repetition in the house.

This afternoon, when the Prime Minister was giving an explanation of the statement of the chief justice he said that he had had an interview with the chief justice. Of course nobody can question what the chief justice said because there is no report except a newspaper report. There is no official report at the present time, and I doubt if there is any official report to come. The Prime Minister referred to the case *in re* Storgoff. I took the trouble to go and look it up. I am sure that the Prime Minister did not have the time to read it because it takes about 75 pages of the Supreme Court Reports. I have not had time to read it all, but I have looked up page 538 where, as the Prime Minister said, the chief justice gave a pronouncement four years previously in similar language to that which he used in the more recent case. Incidentally, I might say the Storgoff case was that of a person who was arrested for appearing nude in public in British Columbia. He was convicted on summary conviction and sentenced to three years' imprisonment. Somebody applied to Judge Coady for *habeas corpus*, and the prisoner was released from jail. The attorney general appealed against that decision to the Supreme Court of British Columbia and the prisoner was rearrested. Then an appeal was taken to the Supreme Court of Canada, and I believe the decision was that he could not be rearrested. That is what it was about.

Before I read the extract from the judgment to which the Prime Minister referred I should like to say for the benefit of those who are not lawyers, and who may be listening to me, that the privy council at the present time is the highest court of appeal in the British commonwealth, and its decisions are binding upon judges of Canada in civil matters but not in criminal matters, because that was removed from its jurisdiction some years ago, as this judgment says. That is the point; they are not binding in criminal matters. Here is what Chief Justice Rinfret said in this case *in re* Storgoff, in 1945:

> Moreover, the question now before our court may not be discussed from the viewpoint of the English constitutional law. In this country we have to apply the British North America Act and the Criminal Code, two statutes which, of course, do not apply in England and do not call for interpretation and application in the English courts. In addition to that, the Supreme Court of Canada is now the court of last resort in criminal matters; and although, of course, former decisions of the privy council—

This is what the right hon. gentleman read this afternoon.

> —or decisions of the House of Lords, in criminal causes or matters, are entitled to the greatest weight, it can no longer be said, as was affirmed by Viscount Dunedin, delivering the judgment of their lordships in Robins v. National Trust Company Limited at page 519, that the House of Lords, being—
>
> "the supreme tribunal to settle English law . . . the colonial court, which is bound by English law, is bound to follow it."

It can no longer be said that the Supreme Court of Canada is bound to follow a decision of the House of Lords.

Mr. Lesage: It never has been.

Mr. Browne (St. John's West): If therefore it could be said in 1945 that after the abolition of criminal appeals to the privy council the Supreme Court of Canada was not bound to follow decisions of the House of Lords, it may still be said that it is not bound to follow decisions of the privy council.

Mr. Cannon: If I may ask my hon. friend a question, has he looked up the difference between the House of Lords and the privy council?

Mr. Browne (St. John's West): Yes, I appreciate the difference between the House of Lords and the privy council; but taking the two things together, the statement by the chief justice which has been quoted and the manner in which this question has been dealt with in the Storgoff case, is it beyond the realm of imagination that in future the judgments of the privy council will be followed less than they have been in the past?

During the course of this debate we have heard remarks from several hon. gentlemen on the other side of the house which would indicate that if they had any say in what should be done by the supreme court, that court should not feel itself bound by any decisions given by the privy council in the past. The hon. member for Montmagny-L'Islet asked whether the supreme court should be bound by decisions concerning

civil law. The implication of his remarks, as I gathered it, was that he did not think it should. Then we had the hon. and humorous gentleman from Temiscouata giving us the illustration of Gulliver being bound by the Lilliputians; and I suppose we were the Lilliputians binding the supreme court.

Mr. Pouliot: Not at all, if the hon. member will excuse me. The Lilliputians were the judgments of the privy council binding the supreme court judges.

Mr. Browne (St. John's West): I think the hon. gentleman really meant that we were the Lilliputians binding the supreme court to follow the decisions of the privy council. Is it not a fact, Mr. Chairman, that the hon. member was ridiculing the idea that the supreme court should be bound by any decisions which had been given by the privy council?

Mr. Pouliot: Surely.

Mr. Browne (St. John's West): I am glad to have the hon. gentleman's admission; and I wonder if that represents the opinion of other hon. members opposite. Even the hon. gentleman who I understand has proposed an amendment has not answered that.

We feel, Mr. Chairman, that it is no reflection upon either the integrity or the ability of the members of the supreme court to have this provision inserted in the act, since the right hon. Prime Minister has said that he entirely agrees with the resolution put forward by the bar association. I know he would not wish to cast any reflection or to even suggest that any reflection might be cast upon those gentlemen who will be required to interpret the laws of this country; but if it was no reflection upon the judges of the courts of British Columbia to have a provision inserted in the laws of that province that they should be bound by the law as it was prior to the date mentioned by the mover of this amendment, then I do not see why the members of the supreme court should feel injured or hurt in any way if a similar provision is inserted in the bill now before the committee.

Before I sit down I should like to say that the prestige of the right hon. gentleman whom I have been criticizing is extremely great. His reputation as a lawyer is well known. He ranks with the foremost in the legal profession throughout Canada. He has held the highest position in the gift of that profession, president of the bar association. Because he held that high position I suggest that it should be he who would give us an example of the respect that should be shown to so great and illustrious a body as the bar association, by adopting their recommendations in this respect.

Mr. Garson: Mr. Chairman, this subject is getting pretty threadbare, but in view of the numerous references—not all of them completely accurate—that have been made to the resolution of the Canadian Bar Association, I think it might not be amiss to read the exact text of that resolution, in order that it might speak for itself. I read the relevant parts:

> Be it resolved that the Canadian Bar Association, without expressing any view as to the wisdom or otherwise of the proposed abolition, is of the opinion . . .
>
> (ii) If, as and when the appeal should be abolished, it is the opinion of this association, as at present advised . . .

Then I go down to the part dealing with this rule of *stare decisis:*

> (g) that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee.

There is not a syllable in any part of that resolution which recommends that parliament should pass a law instructing the Supreme Court of Canada to apply the rule of *stare decisis.*

This is the text with which the right hon. Prime Minister is in agreement, and with which I think we are all in agreement. But using this text as a basis, and not making too accurate reference to it, our hon. friends of the opposition come along and say this is a foundation for asking that an amendment be passed by which this body will instruct the Supreme Court of Canada to apply the rule of *stare decisis.* In doing this I think they have been making quite improper references to and quite an improper use of the resolution of the bar association.

Before I take my seat, I should like to deal with one other quite fallacious analogy which has been drawn in connection with this matter and to which reference has been made by almost every opposition speaker participating in this debate. It has been suggested by them that because the statutes of Manitoba and British Columbia contain a provision making a whole body of law available for the use of the citizens of that province as of a certain date, the same procedure is being and should be followed in the amendment now before us. In the case of Manitoba, the date set was the date when we entered confederation. At that time, we were a very small community and instead of going through the long and stupid process of gradually building up a body of law of

our own, we very intelligently availed ourselves of the whole body of English law as it stood on July 15, 1870.

When a reference is put in a provincial statute or even in a dominion statute to the appropriation of a body of laws for the purpose of some new province which is created, there is no analogy, Mr. Chairman, between that act and what is proposed here. It is not right to say that whenever provinces or the dominion have established a court, a provision is enacted defining the laws that are to be applied. True there are such declaratory provisions in the statutes of British Columbia and in the statutes of Manitoba, but if my hon. friend will prosecute his research in this matter a little further, he will see that they have their counterparts in a statute of the imperial parliament, a constitutional enactment which created that province and provided a body of laws with which it could carry on. The hon. member need not confine himself to British Columbia. The same thing can be seen in the terms of union with Newfoundland, and in the Saskatchewan and Alberta acts. These acts all contain such provisions.

Such a constitutional provision is one which this parliament or the provincial legislature, in themselves, have not the jurisdiction to enact, even though the provisions may be repeated in their own statutes. As I have said, it is true that such provisions can be found in provincial and federal statutes, but it is the British North America Act itself or some amendment of the British North America Act which introduces effectively a body of law into the new province. To say that because that has been done with regard to the various provinces that have entered into confederation is something that justifies the amendment moved by the hon. member for Kamloops (Mr. Fulton), and that there is some proper analogy between the two cases, is in my view wholly incorrect.

Mr. Carroll: May I make one observation? A great deal has been said about the resolution that was passed by the bar association at its last annual meeting. I want to say that, so far as section (g) is concerned, in which it says the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the Supreme Court of Canada, a great deal of effrontery was shown by the committee of that organization in passing this resolution. It may not have been with the intention of throwing any doubt on the integrity of the Supreme Court of Canada, but I say I believe the judges of the Supreme Court of Canada know as much as the bar society of this country about their rights in keeping the theory of *stare decisis* intact.

To place this amendment on the statute books of this country might, in my opinion, interfere somewhat with the rule itself. There are two ways of getting clear of *stare decisis* at any time in the laws of any country. One way is by overruling the laws in existence, and that has been done innumerable times not only by the House of Lords but by the privy council of the United Kingdom. Suppose, for example, the principles of law as enunciated by the House of Lords and the privy council many years ago were changed by the very courts who followed this rule of *stare decisis*. Suppose, for example, that three days or ten days after this act becomes effective, the privy council should overrule some of the judgments it has made with regard to the commonwealth. Would we be in a position to change our minds if this amendment became effective? I think not.

There is another method of changing the rule of *stare decisis* which has been followed in this country for years. The common law of England was brought over to this country and it was *stare decisis;* but the legislatures of this country, especially the three original provinces, followed the method of changing the rule of *stare decisis* by enacting certain pieces of statute law. The rule of *stare decisis* is not such a sacred thing that the privy council, the House of Lords or our own Supreme Court of Canada can never overrule a decision.

The Deputy Chairman: Is the house ready for the question?

Some hon. Members: It is eleven o'clock.

The Deputy Chairman: I shall have to have the unanimous consent of the house before I put the question. Is the house ready for the question?

Some hon. Members: It is eleven o'clock.

Mr. St. Laurent: If there is any objection from any hon. member, I think the chairman should recognize that it is eleven o'clock.

Mr. Knowles: That would be the rule of *stare decisis.*

Mr. St. Laurent: Yes; that would be the rule and I think it should be followed whenever any hon. member objects to consent being given.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow is private members' day.

It being five minutes after eleven o'clock, the house adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, October 5, 1949

The house met at three o'clock.

TARIFFS AND TRADE

REPORT ON NEGOTIATIONS AT ANNECY, FRANCE

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I should like to make a brief statement on the Annecy tariff negotiations. As hon. members already know, Canada, along with thirty-two other countries took part in those negotiations which were conducted at Annecy, France, between April and August of this year.

The purpose of the conference was to permit a number of additional countries to enter into tariff negotiations with a view to joining the general agreement on tariffs and trade. As a result some 140 two-sided tariff negotiations were successfully concluded. Hon. members know that these negotiations go on between the principal importer and the principal supplier of a given commodity, and the arrangement arrived at between them then is affected by the most-favoured-nation clause in the various tariffs and is of benefit to all the other members of the general agreement on tariffs and trade.

The following ten countries have as a result completed the primary condition of membership in the general agreement: Denmark, the Dominican republic, Finland, Greece, Haiti, Italy, Liberia, Nicaragua, Sweden and Uruguay.

Procedures have been established for the reciprocal entering into force of the tariff concessions provisionally agreed to at Annecy. Under these procedures no concessions need be applied before January 1, 1950. It is expected that all countries concerned will have put their tariff concessions into force by the end of May.

The Secretary of State for External Affairs (Mr. Pearson) informed the house on September 16 that the results of the negotiations would probably be made public over this coming week end. The time has now been decided by the countries concerned. The results of the Annecy tariff negotiations will be made public by the United Nations and in the capitals of all countries concerned at an internationally agreed time corresponding to 8.30 p.m., eastern daylight saving time, next Sunday night.

An extensive press release will be issued in Ottawa at that time. Members of the house and of the Senate will be supplied at the earliest possible moment with a copy of the full text of the release, which will run to some twenty pages.

CANADIAN WHEAT BOARD ACT

AMENDMENT RESPECTING PAYMENTS TO PRODUCERS IN CHURCHILL AREA

Mr. P. E. Wright (Melfort) moved for leave to introduce Bill No. 13, to amend the Canadian Wheat Board Act, 1935.

He said: This bill is the same as Bill No. 17 of last session. The only change made by the bill is to insert the words "or Churchill" in the appropriate place in two sections of the act, as underlined. The effect of the change will be to permit producers in the area accessible to the port of Churchill to take advantage of the cheaper freight rates to Churchill, wherever such cheaper rates apply.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CANADIAN NATIONAL RAILWAYS—STEAM AND DIESEL LOCOMOTIVES—COST OF OPERATION

Mr. Isnor:

1. What is the cost per mile to operate Canadian National Railways steam locomotives of the following types (a) 6500; (b) 6000; (c) 7000?
2. What is the itemized cost per mile of each of the above types of locomotive?
3. Are separate records kept of the per-mile costs in the different railway regions?
4. If so, what is the cost per mile of the operation of each of the above-mentioned types of locomotive in each region?
5. How many miles did each of the mentioned types of locomotive travel in 1948?
6. What would have been the cost in 1948 had diesel locomotives been used?

Mr. Chevrier: I understand the hon. member has been given certain information in connection with this question. Perhaps he would consider that sufficient, under the circumstances.

Mr. Isnor: Yes.

Mr. Speaker: Dropped.

Mr. Graydon: When this question was put on the order paper it became a matter of public interest. I should like to know what answer the minister gave to the hon. member for Halifax, because this is a public rather than a private matter.

Mr. Chevrier: There are two reasons which militate against the answering of this question. First, Canadian National Railways cannot furnish the information, because their accounting system is that approved by the interstate commerce commission for similar work, and to give the information asked for would not be possible without change of accounting. They are able, however, to give an answer to one part of the question provided that additional information is given by the hon. member.

The other reason is that the Canadian National Railways have taken the position, and the government has upheld them, that these are questions which should normally be asked in the committee on railways and shipping. I pointed this out to the hon. gentleman and told him that if an answer to part 1 of the question would be of any use to him, and he could give the additional information required, it could be given. He said it would, and under the circumstances I asked that the question be dropped.

SUTHERLAND, SASK., FORESTRY FARM

Mr. Knight:

1. How many men are employed at the forestry farm near Sutherland, Saskatchewan?
2. What are the categories of work at which they are employed?
3. Are they employed by the day, weekly, monthly or annually?
4. What are they paid in the various categories?
5. Are these payments in addition to board or do the men board themselves?
6. What is the duration of holidays granted with pay to (a) annual workers; (b) other workers?
7. Is any work carried on on Sunday?
8. Is payment made for such work? If so, at what rate?

Mr. McCubbin:

Unclassified employees

1. 22.

2. Stableman (1); teamster (1); construction foreman (1); labourers (19).

3. 9 employed year-round; 13 employed seasonally.

4. Stableman, 55 cents per hour; teamster, 55 cents per hour. Construction foreman, $1.47 per hour; 19 labourers—18 at 55 cents per hour; 1 at 50 cents per hour.

5. Board themselves.

6. (a) Six days per year. (b) After six months service, one-half day for each completed month of service.

7. 1 stableman; 4 labourers.

8. Yes, at regular rate.

*FEDERAL GRANT FOR MUSEUMS

Mr. Thatcher:

Is there any federal grant available to cities for the establishment or maintenance of museums?

Mr. Sinclair: No.

[Mr. Graydon.]

MONTREAL-NEW YORK AIR SERVICE—COLONIAL AIR LINES

Mr. Thatcher:

1. What agreement has Colonial Air Lines with Canadian authorities to carry on an air service between Montreal and New York?
2. Is there any time limit on such agreement?
3. Is there a cancellation clause in this agreement?

Mr. Chevrier:

1. Colonial Air Lines Inc. has no agreement with the Canadian authorities to carry on an air service between Montreal and New York.

By agreement for civil air transport between Canada and the United States of America, effective February 19, 1945, it was agreed, inter alia, that the air line designated by the government of the United States might operate on the route Montreal-New York. Colonial Air Lines Inc. was subsequently designated to operate this service, and a licence was duly issued on April 6, 1946, by the air transport board in accordance with the provisions of the agreement.

By air transport agreement between Canada and the United States of America effective June 4, 1949, it was agreed, inter alia, that "existing rights and privileges relating to air transport service which may have been granted previously by either of the contracting parties to an air line of another contracting party shall continue in force in accordance with the terms under which such rights and privileges were granted."

2. The licence issued by the air transport board remains in effect until terminated by the termination or amendment of the agreement. There is no other time limit in the licence and no time limit in the air transport agreement.

3. There is a cancellation clause in the air transport agreement.

FOREIGN EXCHANGE—PURCHASE OF UNITED STATES COAL

Mr. Coldwell:

1. By what method does the coal trade in Canada secure United States dollars for the purchase of American coal?
2. Does the foreign exchange control board assist directly or indirectly in the operation of a system of exchange futures by which coal importers can cover their commitments for future deliveries?

Mr. Sinclair:

1. An importer of coal from the United States obtains United States dollars to pay his supplier by applying to his own bank acting as an authorized dealer under the Foreign Exchange Control Act.

2. A coal importer—in the same manner as any other importer—can enter into a contract with his bank for the purchase of United States dollars for future delivery up

to ninety days and thereby obtain protection against a change in exchange rates where he has entered into a firm commitment for the purchase from a supplier in the United States of goods imported or to be imported into Canada on terms providing for delivery and payment not later than the maturity of his forward exchange contract. This facility is available only to cover an over-all exchange risk to which an importer would otherwise be exposed.

NATIONAL PARKS—NEW BRUNSWICK—GOLF COURSE

Mr. Brooks:

1. What is the estimated cost of laying out and constructing a golf course in the New Brunswick national park?
2. How much of the course has been completed, and what is the cost to date?

Mr. Maybank:

1. The estimated cost of laying out the golf course is $99,100.

2. Golf course completed. Total cost to August 31, 1949, $90,247.41.

SUSSEX, N.B., POST OFFICE—REPAIRS TO BUILDING

Mr. Brooks:

1. What was the amount of the original contract for repairs to the Sussex post office, Sussex, New Brunswick?
2. Has there been any further cost for extra work?
3. If so, what is the cost to date?
4. Is the work now completed and, if not, how much would it cost to complete?

Mr. Fournier (Hull):

1. $36,600.

2. Yes.

3. Additional work authorized, $11,582.

4. No, work is still in progress. To complete will cost $36,000, the amount of the original contract, plus $11,582 for extra work.

CANADA-WEST INDIES STEAMSHIP SERVICE—CARGOES AND TONNAGE

Mr. Hatfield:

1. Are there any Canadian National steamships plying between Saint John and Halifax and the islands of the British West Indies in connection with the Canada-West Indies treaty?
2. If so, how many ships are in the above service?
3. What are the sailing dates?
4. What does the cargo consist of from Canada to the British West Indies, and what does the return cargo consist of?
5. What is the monthly tonnage on both going and returning cargoes from Canada to the British West Indies, to date, in 1949?

Mr. Chevrier: Canadian National Railways advise as follows:

1. Yes.

2. Five.

3. September 28, October 18, October 19, October 29, November 8, November 20 and November 28.

4. Exports from Canada: Apples, autos and parts, butter, canned goods, cheese, cereals, cement, feed, fish, flour, hay and straw, liquors, lumber, oats, oil meal, provisions, potatoes, rubber goods, shooks and staves, vegetables, meat, livestock, general.

Imports into Canada: Arrowroot, cocoa, coffee, coconuts, citrus fruits and juices, other agricultural products, molasses, tomatoes, other vegetables, liquor, spices, sugar, chicle, general.

5.

Month	Export tons
January	9,183
February	10,700
March	4,613
April	9,291
May	6,117
June	8,562
July	9,895
August	11,654
September	11,345

Month	Import tons
January	7,409
February	10,810
March	9,135
April	15,584
May	16,279
June	18,340
July	22,210
August	23,495
September	22,147

NATIONAL PARKS—NEW BRUNSWICK—DEVELOPMENT AND HIGHWAY CONNECTIONS

Mr. Brooks:

1. What is the estimated cost of developing the New Brunswick national park?
2. How much has been spent to date?
3. Will the government assist in the building of a highway from Saint John, New Brunswick, to the national park?

Mr. Maybank:

1. Plans will be made in connection with development as the necessity becomes apparent. Estimates for 1950-51 not yet considered—see answer to No. 2.

2. Expenditure to August 31, 1949, $839,411.60.

3. This is a matter of government policy. No assistance has been given to provinces in recent years toward the costs of improving provincial highways leading to national parks.

QUESTIONS PASSED AS ORDERS FOR RETURNS

NAVAL SERVICE—ESQUIMALT—COAL CONTRACT

Mr. Pearkes:

1. What quantities of coal, stoker or lump, were involved in the Esquimalt naval contract calling for the supply of coal for the current year for all naval establishments at Esquimalt, British Columbia,

including H.M.C. Dockyard, H.M.C.S. *Naden*, and the service college at Royal Roads and other establishments?

2. Were tenders called? If so, to whom were they awarded?

3. Were these contracts classified as retail or wholesale business?

4. Were they called for on a b.t.u. basis?

5. What was the price paid per ton or million b.t.u.?

Mr. Blanchette: Return tabled.

HIGHWAYS—ONTARIO—FEDERAL CONTRIBUTIONS

Mr. Nixon:

1. Did the federal government, during the years 1935 to 1940, spend money on, or contribute money for construction of any portions of Ontario provincial highway No. 17 between Sudbury and Sault Ste. Marie, and between Sault Ste. Marie and Montreal river, to the north of Sault Ste. Marie?

2. If so, what amount was contributed?

3. Under what authority was such money paid?

4. Was there an agreement between the province of Ontario and the Dominion of Canada with regard to such expenditure?

5. Did the Ontario government, during the years 1934 to 1940, intimate to the federal government that it had designated as the trans-Canada highway, the continuation of the portion of the highway No. 17 between North Bay and Port Arthur, via Sault Ste. Marie?

MOTION FOR PAPERS

UNION OF NEWFOUNDLAND WITH CANADA

Mr. Browne (St. John's West):

For a copy of all correspondence, minutes of proceedings and other documents between January 1, 1945 and April 1, 1949, relative to the union of Newfoundland with Canada.

Mr. St. Laurent: From time to time the government has tabled in this house official documents relating to the negotiations leading to the entry of Newfoundland into confederation. The last document tabled on February 7, 1949, was a white paper entitled, "Reports and documents relating to the negotiations for the union of Newfoundland with Canada; conference series, 1948, No. 2, Department of External Affairs". That white paper contained, in addition to the official correspondence and other documents, the terms of union and the statements on questions raised by the Newfoundland delegation as well as summaries of the 1947 and 1948 proceedings. There are no other documents of any significance except those of a class which have always been treated as privileged.

Perhaps under these circumstances the hon. member would secure a copy of this white paper, and if there is anything special that he wants which is not in the white paper he might let us know or make another motion for its production.

Mr. Graydon: If the suggestion which the Prime Minister has just made is concurred in by the hon. member who made the motion, may it be understood that he can put another similar motion on the order paper without prejudice to his rights?

Mr. St. Laurent: Without prejudice to his rights to ask for the production of any specific document. To the best of my knowledge the documents that have not been produced are only such documents as have always been treated as privileged. If there is any special document that the hon. member wishes to ask for, his rights will not be prejudiced by the fact that this motion has been dropped.

Motion dropped.

MINES AND RESOURCES

PROPOSED FEDERAL ASSISTANCE TO PROSPECTORS

Mr. Daniel McIvor (Fort William) moved:

That, in the opinion of this house, the government should consider the advisability of giving assistance to prospectors after they have made a find, by sending a geologist in at the request of the prospector, and, if a favourable report is made, diamond drill the property, and, if property develops, the government take such costs out of the production of the property.

He said: Mr. Speaker, I bring this resolution before the house and the government because I consider the prospector to be the forgotten and neglected man. The prospector has always been a pioneer, one who has served his country by striving to locate and develop our great mineral deposits.

It will be noticed that there are two types of prospector. One is the prospector paid by the mining corporations. This man does not run the same risk as the independent prospector, the man who packs his own kit to go out and endeavour to locate mineral deposits which add to our national wealth. The resolution asks that a geologist be sent in at the request of the prospector.

Some might ask: Who are these prospectors anyway? Sometimes they are university graduates who have specialized in geology and mineralogy. I tramped the country west of Fort William with one of these men. I found he had a good pair of legs, a stomach that could stand anything, a pair of shoulders that could carry a good load, and a mind second to none in Canada. He was a brilliant and well-trained man.

It will be seen that this resolution calls for a combination of private enterprise and government aid. It is in keeping with my own way of thinking, because I believe in Canada we have to have both. Take the story of the prospector. When the season opens he gets the fever and away he goes. When he has made his find, and sent in his samples, and

the assay has come back from the government department, he finds that he has not enough money to develop his mine, and it has to remain undeveloped. Perhaps he has to pay taxes on the property for years before it is developed. It is no advantage to him that there are indications of the presence of gold, silver, copper or a combination of minerals. We believe that the government should, by supplying a geologist, come to the aid of the men who carry on this work so faithfully. If the geologist finds something that is worthy of development, then the mine should be drilled by the federal government and the government should take its expenses out of future production.

I do not forget the years of depression at the head of the lakes, which in some small way were responsible for my entering the House of Commons. We could not get men jobs at twenty-five cents an hour for veterans, but we were able to send men to Geraldton, Beardmore, Longlac, and farther west to another mine, where they received good wages. In gratitude for the services rendered to the people at the head of the lakes by the operators of those mines, I sponsor the resolution, and I believe that its adoption would be of great benefit to Canada as a whole. North and west of the Fort William district, in an area perhaps eighty miles long and fifty miles wide, we have all kinds of minerals. Men have prospected there and have found much that is of commercial value, but they cannot develop the mines because they have not the money. They are unwilling to sell out for a trifle to a big mining corporation. They think they should have their share.

I have tried to obtain the use of several drills on easy terms in order to help some of these men, but I have failed even in that. I say to the Minister of Mines and Resources (Mr. Gibson), through his parliamentary assistant (Mr. Maybank), that drills should be made available to these men who make finds. If the government has not enough money to supply geologists, then it should be prepared to lend drills to these men to drill their properties and develop them. I am convinced that west of Fort William there is a mining district that will be second to none in Canada.

Prospecting today is not what it used to be. The prospector has many difficulties. He has to be a wise man. He must know how to use his magnifying glass. I remember being fooled by what is called fool's gold; it was a combination of iron and sulphur. You would pick it up and say, "Why, I have found gold!", and then you would get a big head. When it was analysed it was found to be nothing but brass.

Assistance to Prospectors

The prospector has many difficulties that the ordinary individual does not know anything about. I think he should receive some encouragement. Where shall we go to get it? To the provincial government? The government of Ontario is most sympathetic towards our mining interests and prospectors. Where should we go? Certainly to the dominion government. They have the money, and they will get their money back. If not, the geologists will have made a mistake.

I could talk for an hour on this question, but I want to allow other members an opportunity to say something. The resolution will be seconded by the hon. member for Chapleau (Mr. Gourd).

(*Translation*):

Mr. David Gourd (Chapleau): Mr. Speaker, I am pleased to second the resolution moved by my colleague, the hon. member for Fort William (Mr. McIvor), to the effect that the government should consider the advisability of giving assistance to prospectors, after they have made an actual find, by sending in a geologist, and if the latter considers that the find is important, of diamond drilling the property, recouping the costs out of its production. It should not be overlooked, Mr. Speaker, that prospectors are generally men with little money, since most of them devote their time and energy to the search for minerals.

I am glad to tender my congratulations to the Minister of Mines and Resources (Mr. Gibson) who has kindly agreed to look over the mining districts. He is now visiting Rouyn, Noranda, Malartic and Val d'Or, and he may go as far as Normetal, in my constituency, in order to ascertain on the spot the importance of the companies and find out the number of people they employ. He will note that the farmers and settlers of my constituency of Chapleau and of the neighbouring constituencies of Villeneuve and Pontiac sell their products on the market provided by these companies and their employees.

With the dollar devaluation, which has increased by $3.50 an ounce the price of gold, and provided the former subsidy is maintained, I am sure that a considerable development will occur in northwestern Quebec. This would justify the extension of the railway line from Barraute to Kiask falls and toward Bachelor lake and Chibougamau, where there is a quite extensive mineralized area, and important companies are in operation. Moreover, it should not be forgotten that gold mining concerns the whole country, as it allows us to obtain much-needed United States dollars.

Assistance to Prospectors

(*Text*):

Mr. G. S. White (Hastings-Peterborough): I wish to speak briefly on the motion, and to deal particularly with the search for uranium ore. I do not know the exact number of producing uranium mines there are in the world today, but I doubt whether it exceeds four. Neither do I know the tonnage produced, but it is relatively small.

Canada has one such producing mine at Eldorado. While from the information available we believe there is a large deposit of this ore at Eldorado, the expense of operation is very high owing to the fact that all transportation must be either by plane, or, during the summer months, by water. Wages are high, but only in proportion to the cost of living at Eldorado. There is a constant turnover in labour because of the climate and the location of the mine a short distance from the Arctic circle.

As I have said, at the present time Canada has one producing uranium mine. Nevertheless there is every reason to believe that Canada has rich potentials in the Pre-Cambrian shield, which is the most important host rock for pitchblende. With a determined effort and proper incentive, Canada should become a leader in uranium production. Uranium is and will be found to be a scarce mineral. Our security as a nation, and the security of the western countries, depends on Canada and the western countries obtaining a far greater supply of this mineral than is produced at present.

The recent announcement in this house in reference to the atomic bomb explosion in Russia has made us more conscious of the source of atomic energy that lies buried in Canada. In May of this year the Minister of Trade and Commerce (Mr. Howe) addressed the graduating class of engineers at McGill university, and I quote from a news report of his address:

> A Canadian cabinet minister Friday night spelled out a field of development in the future that is "almost beyond imagination."
>
> That field, Trade Minister Howe told engineering graduates of McGill university, is in atomic energy over which "military implications" have thrown a "temporary cloud of secrecy."
>
> While "the international situation may delay progress temporarily, the day will surely come," he said "when the peaceful use and application of this new and fantastically large source of energy from atoms will certainly open up a new and potentially great field of engineering, technology, industry and opportunity."
>
> Canada is in the "front line of this the most exciting scientific venture of all times," Mr. Howe said in an address prepared for delivery.

I think all hon. members will agree with that statement; but I would ask the minister if he is satisfied that at the present time the government is doing all that can be done to assist in the discovery of uranium ore. At page 11 of the third annual report of the atomic energy control board for 1948-49 I find these two paragraphs under the heading "Prospecting and mining":

> The establishment by the government of a guaranteed minimum price of $2.75 per pound of contained uranium oxide (U_3O_8) in acceptable ores or concentrates was announced in March, 1948 . . .
>
> The Department of Mines and Resources offered to make, without charge, radioactivity tests on samples sent in by prospectors and, where the results of these tests warranted, to make further chemical and other tests and thorium determinations. The response taxed the facilities of the department to the utmost, more than 3,000 samples having been dealt with since April, 1948.

You will note, Mr. Speaker, that the price set by the government is $2.75 per pound for contained uranium oxide in acceptable ore concentrates. I would point out that the price paid by the government of the United States is $3.50 per pound; and with the recent devaluation of the Canadian dollar our government will receive $3.85 for each pound sold to the United States government, for which the government of Canada will pay only $2.75.

In the second paragraph I read it is stated that the facilities of the Department of Mines and Resources were taxed to the utmost to conduct these tests. I would suggest to the Minister of Mines and Resources that the facilities of his department are totally inadequate to help uranium producers. I believe the department needs many more expert mineralogists and much more technical equipment to handle the ever-increasing volume of work sent in from the uranium fields. There are often long delays; I know of some cases in which months have elapsed before producers have received a full and final analysis of their samples.

I suggest also to the minister that his department is not sufficiently active in promoting field work in connection with the search for uranium ore. I believe it would be of great benefit to prospectors and miners if officials of his department could make examinations of new properties and report thereon. A recent press dispatch announced that the government of the United States will pay a prize of $10,000 for new discoveries of uranium ore. No prize of any kind has been offered by the Canadian government for new finds, nor has this government provided capital to bring new uranium mines into production. While I firmly believe in the system of free enterprise, in view of the fact that our very destiny may hang on the discovery and development of uranium ore, and in view of the time element involved, I believe the government should provide the necessary funds.

If something of this kind is not done, large United States mining companies may take over and control our uranium mines. Under

the present regulations, all uranium ore produced in this country must be sold to and controlled by the Canadian government, but the picture might become very different if our uranium mines should be owned and controlled by United States interests. In such case any government here certainly would be under great pressure from the United States owners. Let us suppose that the du Pont interests obtained control of important Canadian uranium mines. Does any hon. member honestly believe that under present conditions, with our whole economy, our defence plans, in fact every phase of our national life, bound up with United States policy, any Canadian government would not be subjected to the most extreme pressure from United States owners of such mines?

The county of Hastings, which forms part of the riding I have the honour to represent, has shown every promise of becoming a large uranium ore producer. I am sure the Minister of Trade and Commerce is aware of the assay results of the samples of uranium ore from that county. If those properties prove out as the samples would indicate, Hastings county will be in the forefront of uranium ore production. The deposits which have been located so far are close to railway and hydro facilities, and also to provincial highways. In every respect the cost of production would be much less than the cost at Eldorado.

I would point out to hon. members that a deposit of uranium ore is very different from a deposit of iron, gold, silver, copper or any other mineral. The initial problems are of great technical complexity. In my opinion to locate a deposit of uranium ore is from ten to twenty times more difficult than to locate a deposit of gold. I hardly need to emphasize the great need for laboratories, technical staff and financial assistance in the search for and production of this strategic mineral, nor do I need to point out that the country with the most uranium will be in a position of unparalleled strength.

In conclusion, Mr. Speaker, I offer the following suggestions to the government in connection with their policy concerning uranium production in Canada:

1. That the government pay $5 per pound for uranium oxide.

2. That the government construct and operate a large laboratory to assist miners and producers.

3. That the government provide a field corps of geologists and mineralogists to visit and advise on all mines and prospects.

4. That the government offer a prize at least equal to the $10,000 offered by the United States government to every individual who discovers a deposit that develops into a commercial mine.

5. That, where necessary, the government provide capital to bring mines into early production.

6. That the committee on atomic energy, promised by the Minister of Trade and Commerce a few days ago, be set up as soon as possible.

Mr. J. A. Simmons (Yukon-Mackenzie River): Mr. Speaker, I am heartily in favour of this resolution, and take great pleasure in supporting it. As hon. members probably are aware, mining is the principal industry in the constituency I have the honour to represent, and I suggest that this resolution be enlarged to cover financial assistance to qualified prospectors, to encourage them to go into the hills and seek new prospects.

It is well to remember that in the Yukon and Northwest Territories large sums of money must be spent on aircraft or other means of transportation in order to get into the field in the first place. It is not like many other places in Canada where the field to be prospected often lies near a railway or other means of transportation. In the north the season is short. Grubstakes are costly and transportation is expensive. What would we have in our great northland today if it were not for our prospectors? We owe a great debt of gratitude to those courageous and adventurous men who risk their lives and suffer many hardships in order to find new mineral wealth which adds so much to the prosperity of Canada.

It is a costly undertaking for the individual prospector. Unless some financial assistance is provided, I am afraid that the numbers in this field of endeavour will gradually diminish. I should like to see some plan worked out under which a bona fide prospector in the north would receive a clear grant of at least $500 per season. This would be a subsidy to the prospector, and not repayable.

Mr. J. G. L. Langlois (Gaspe): I am pleased, Mr. Speaker, to add a few words in support of the resolution moved by the hon. member for Fort William (Mr. McIvor). Some years ago a rumour was brought to my attention, to the effect that the federal government was planning an appropriation of funds to encourage the discovery and development of new oil fields in Canada. The proposal appeared to be a timely one, and must have been connected with the fact that the possibility of developing new oil fields in Canada was beginning to impress the government. This growing conviction was not without foundation. Paleogeographical maps or the historical geography of Canada would show that Canada's producing potentialities have been overlooked for too long a period.

Assistance to Prospectors

Whilst the potentialities of the west and northwest are being particularly stressed as a result of new discoveries in the Leduc area, the opportunities for development in other areas of Canada have been the subject of favourable comment by reputed geologists. In the past few years prospectors in my riding forwarded to me numerous requests for government financial assistance in diamond drilling. I believe hon. members of the house will be interested in learning some facts which were brought to my attention by one company in particular at that time. A company did some drilling in 1939 in the peninsula of Gaspe, but failed to obtain production. The official report of the department of mines of the province of Quebec for the year 1940 merely stated that horizons, which in other areas were generally characterized as petroliferous, had not been reached, and that the well stopped short of two possible producing horizons some one or two thousand feet below the depth obtained by this well. It must be admitted that this was a most inconclusive test.

Two more wells were started in 1942 and 1943, and a third one is now being drilled by two independent companies with whom the Imperial Oil Company of Canada is now associated. The first company to which I referred was formed in 1944, after obtaining a special licence from the department of mines of the province of Quebec covering 85,000 acres. This area had been summarily surveyed by the department of mines of that province. It showed promise of a geological formation favourable to the accumulation of oil in commercial quantities. Further exploratory work was done, after which the company was formed and drilling started. The area was given favourable recommendation in a report issued by the government in 1937.

In a report for another company in 1944, Dr. G. O. Sanderson, of Calgary, looked with extreme favour on the Gaspe peninsula. Russell V. Johnston, another consulting geologist of Calgary, was more specific in his opinion of the area under licence to this company. Messrs. Bates and Cornell, consulting geologists and petroleum engineers of Lafayette, Louisiana, the company's consulting geologists, are also deeply impressed by the possibilities of the Gaspe. They even went so far as to write an article, published in *The Oil Weekly,* in which it was stated that sooner or later Gaspe will be a producing oil field. It was this conviction that led the officers and chairman of this company to risk capital. Owing to the distance from sources of supply and inadequate communications from the town of Gaspe to the drilling site, the cost of exploration and drilling is far greater than would ordinarily be expected. The resources of an independent company such as this one are not to be compared with those of the major oil companies. Yet, it is well known that in the United States the greater number of new discoveries are made by independent companies. It is also well recognized in that country that the major oil companies lend their support to the independents and to the wildcatters because of their success in bringing in new fields at costs far below those usually incurred by the larger companies. The venture of this company in Gaspe has been particularly difficult because of the inadequate communications and the distance from sources of supply. Weather conditions have also been a factor. They have to battle snow from October until May. In addition to that, the general disrepute into which Gaspe fell in 1902 as the result of an adverse report in connection with drilling operations undertaken prior to that time made it extremely difficult to raise capital. The conclusions reached at that time were hasty, and in the light of later geological information there was no reason to look upon the Gaspe as an uninteresting possibility.

In a report issued by the department of natural resources at Ottawa in 1915 it was plainly stated there was no question that the operations carried out prior to 1902 has been badly managed. Yet the report published in 1902 created an incalculable amount of damage which it is almost impossible to overcome today. The discovery of an oil field in Gaspe would have tremendous economic repercussions in this country, particularly in eastern Canada. Practically all of our crude oil is imported from Venezuela, or from the gulf states, involving heavy transportation costs and the disbursement of greatly needed United States dollars. Crude oil from Gaspe not only would save United States dollars but would result in lower consumer costs and an adequate supply of oil and gasoline in the face of a critical shortage, which will not disappear for many months, possibly for several years.

In that same period I took this matter up with the former minister of mines and resources, and asked him if it was possible for his department to give assistance to these independent prospectors in my area. The minister informed me then that his department would not go any further than the encouragement already given to the development of new oil fields by the reduction or elimination of import duties on drilling machinery, and tax concessions. He assured me, however, that his department was ready to co-operate with any prospectors in my area

and to lend any assistance which was authorized at the time by the government.

I am therefore pleased to give my hearty support to the resolution so ably introduced in this house this afternoon by the hon. member for Fort William, because in fact it supports the request I previously made to the former minister of mines and resources. For the sake of the future welfare of our mining activities in Canada I hope this house will give careful attention to this worth-while resolution.

Mr. C. W. Hodgson (Victoria, Ont.): First of all, Mr. Speaker, I want to take a minute to congratulate you on your election as Speaker of this house. I feel sure that every representative here will get fair treatment and that your decisions will be based on equity and justice. I know that you will uphold the traditional dignity of your office in a manner comparable to that in which it has been upheld in any previous parliament since confederation.

The resolution before us is a timely one and well put. I think the government should take a hand in helping the prospectors and new or smaller mines; they should extend the Emergency Gold Mining Assistance Act to new mines especially. In my own riding of Victoria, the eastern section of the county of Haliburton is one great area of mining property. Outcroppings of different kinds of minerals are to be found there, but greatest in extent is uranium. We all know that the government have been frantically seeking new finds of uranium. They spent many dollars in the far north country. In the eastern section of Haliburton county we have a mining area, with a railroad running through it, with hydroelectric power lines and a paved highway straight through it. Considerable prospecting and mining has been done in a small way. The Geiger counters register excitedly over great areas extending over thousands of acres. A few shafts have been sunk to a depth of four or five hundred feet, and some drifting has been done. Some diamond drilling has also been done, but not enough. The samples received from that area have all been of good quality, showing a high percentage of uranium.

If hon. members will cast their minds back to what they read in the press a couple of years ago, they may remember having read a notice to the effect that cores from some of the diamond drills had been stolen. I am not prepared to say where those cores went. However, the New York atomic energy commission gave a favourable report on the findings there. I understand that the dominion government some time ago sent up to that area a geologist, and probably also an engineer. The people up there used dynamite, tools and equipment to the extent of $800. Up until late last spring they had not received any report on the findings, after spending $800 under government supervision. That sort of thing is neither help nor co-operation.

In seeking uranium I think the government should make an effort in that part of the country to which I have referred, because there is no doubt in the minds of many geologists and engineers that the goods are there. But, as is known by hon. members, atomic energy and uranium are controlled by the government. I am satisfied that we can bring in United States capital to finance operations in that part of the country if the government will give us a free hand to do so. We need not only their help but their co-operation.

I say to you, Mr. Speaker, and through you to this house, that a great deal can be done to assist in this matter. I am certainly in favour of the resolution.

Mr. G. M. Murray (Cariboo): I should like to add a word of commendation of this resolution. As the hon. member for Fort William (Mr. McIvor) has said, the prospector is almost the forgotten man. There is a way in which we can assist him without paying a direct subsidy, although, as has been suggested by the hon. member for Yukon-Mackenzie River (Mr. Simmons), a $500 cash donation to him for a year would be good. It would also be good to provide him with drills, implements and equipment for carrying on the search for minerals. But I suggest to the government that there is a still better way of assisting prospectors—that is by extending the roads and trails into these new mineral areas, and by extending railway services to areas which give great promise of production.

A former member for Cariboo, Hon. J. Gray Turgeon, was a progressive man who has done a good deal to assist the prospector. Before the last war he was in some measure responsible for securing a grant for certain roads north of Prince George and out in the direction of Fort St. James. These roads were used by the prospectors, also by settlers going into that part of the country, and by operators of saw mills as well. But the great pay-off for the construction of the Turgeon highway up beyond Fort St. James was the development of the greatest mercury mine that was ever found on this continent—at Pinchi lake, and there was another at Takla lake—from which came great production during the war period. The discovery of that mine, and its operation, made it possible for the allies to have their own supply of that precious and critical war metal, and made us

wholly independent of Franco in Spain, and of the Italians, who at that time had a monopoly of the production of mercury on the continent of Europe. If we extend the roads here and there, particularly in that great northwestern country, we shall do something to assist not only the prospectors but the settlement of those communities generally.

I have another example from the Peace river country, and it has to do with the coal mines at Hudson Hope, which now lie roughly 125 miles from the end of steel. Prospectors went in there in the early days and developed this coal. It has been said that the coal in this area is next in value as fuel to the anthracite coal from the Lackawanna valley of Pennsylvania. It is no exaggeration to say that there are mountains of it lying at Hudson Hope; and for confirmation of anything I say in this regard I would refer hon. members to the records of the geological survey branch at Ottawa.

A friend of mine, Mr. Neil Gething, has been in there for more than forty years. This man was trained at Ann Arbor, Michigan, as a geologist, and is a university man. He went in there far ahead of civilization and discovered these vast quantities of semi-anthracite coal. He has been in there for more than forty years, and is much poorer than he was when he went in. Yet at eighty-five years of age he is still an inspiration to the younger men of the Peace river country and other areas in that part of Canada. He has under his control vast quantities of this magnificent coal, and it requires only an extension from Hines Creek, Alberta, of the Northern Alberta Railways, to make that coal available not only to that part of British Columbia but also to central Canada, including the people of Ontario.

If we wish to make our dollar ring true on the counters of the world, and not have it at a discount, let us develop these great latent resources, and let us take sensible measures such as that advanced by the hon. member for Fort William. Let us support the prospector and thus build up this great mining industry in Canada.

Mr. Rodney Adamson (York West): Mr. Speaker, I have an immense amount of sympathy for the resolution offered by the hon. member for Fort William (Mr. McIvor). One thing, however, I do regret this afternoon, and that is that the Minister of Finance (Mr. Abbott) is not in his seat; because if there is one think that has killed prospecting and has done more than anything else to hold back the mining industry in Canada it is the regulations and taxation schedules, and the taxing structure put upon mining. It is a burden placed not only upon the successful mining operations, but upon operations which in ninety-nine cases out of a hundred are not successful, and from which nothing results but a loss of speculative capital—and that is the most valuable kind of capital we have in Canada today.

It costs at the present time—and this is an empirical figure—between $2 million and $5 million to bring in a mine, that is, to produce the underground workings, to build the mill, to open up the levels and the stopes. All this takes an average of approximately five years. That is a lot of money; it takes a long time, and it is big business. The old days when the prospector went into the bush with a grubstake to develop a property are to a great extent over. Today engineering equipment, such as diamond drills and all the geophysical apparatus of mining and prospecting, makes mining and prospecting a very large and expensive business. It is unfortunate but true that more than anything else taxation has put a crimp on prospecting.

The prospector exists by risk or speculative capital. In this day and age, unless provision is made to recompense risk capital for the one bet out of a hundred that pays off, we shall not induce that risk capital to come into the extremely hazardous and speculative business of mining.

What has happened—and I regret this as much as anybody else—is that to a greater and greater extent the larger companies, with their large reserves, are holding blocks of territory which they hope to develop later, while in the meantime they are developing other properties. If there were a sufficient amount of risk capital available, those properties now lying idle in great numbers as moose pasture would have a chance for development.

That is my first point, Mr. Speaker. I feel it is part of the birthright of every Canadian to have a hand in the development of the country. We should be encouraged to invest capital in the development of our great mineral resources. But the government must recognize a simple fact, and that is if one risks capital in the development of a mine, and loses it, that is his loss; but if his venture turns out to be successful he should at least get his risk capital back before he is taxed on any profits which may flow from that venture.

In general terms that is the basic necessity for the encouragement of mining in this country. Let me mention one fact just to show how badly prospecting in this country has been hit. The old camp at Kirkland Lake had been solidly staked for many miles around in all directions, and it was suggested that in order to have the record straight the holders of the claims should restake them and make a new record so that if the camp

developed and if the ore structure was found to extend past the area now considered to be the limits of the camp the claims held would not be the subject of dispute or discussion. It was found that there were no prospectors available to do the job. This camp got its start around 1912 or 1913; it was really only developed during the first war, about twenty-five or thirty years ago, and now there just are no prospectors available to do the necessary job of restaking the old claims. This is an indication of the serious situation that exists with regard to prospecting.

Whether we like it or not, gold has been the magnet which has drawn the prospector into the field. Gold has always been the incentive for the development and opening up of new areas in eastern and western Canada—in the great Cariboo country, in the Mackenzie, Yukon, Yellowknife and other areas. I would remind the house that the Eldorado company, now our major source of uranium, was originally a gold mining company. When Gilbert La Bine discovered the pitchblende it was partly an accident. Gold's value as a colonizer and developer of new country cannot be overestimated.

Because of the way in which gold is treated at the present time by international government finance and monetary control the incentive to look for it has been seriously diminished. Until gold again becomes the magnet to draw prospectors into the bush we will face continuous difficulty in the development of the prospecting industry.

I should like to refer briefly to our Department of Mines and Resources. In this department in Ottawa we have some of the best mineralogists, engineers, geophysicists and geologists to be found anywhere in the world. The personnel of the ore dressing and other laboratories are as fine as will be found in any other capital. But in this department are such things as immigration. Immigration really is a full-time job, because it is one of the most important problems facing Canada today. In my opinion it is wholly wrong to place immigration in the Department of Mines and Resources and thus divide the duties of the minister between immigration and mining. Both matters require a great deal of attention, and the minister cannot give undivided attention to either. The qualifications for both these jobs are entirely different.

Indian affairs are also in the Department of Mines and Resources. By no stretch of the imagination can Indian affairs be considered as having to do with mining and the development of natural resources. Hon. members who were here last year will remember the committee on Indian affairs and the extensive work it did. I am sure they will admit that no one department should have both mines and Indian affairs under its jurisdiction. Indian affairs is a completely different subject which has nothing to do with mining.

Museums and national parks are also under this department. Possibly our national parks could be considered as being related to mining, since they are in the realm of national development. I earnestly ask the government to take Indian affairs and immigration out of the Department of Mines and Resources, and in asking this I have the support of the Canadian Institute of Mining and Metallurgy.

I understand that the Department of Mines and Resources occupy parts of no less than twenty-seven buildings in Ottawa. When a file has to be drawn, a boy is sent on a bicycle to the central registry. A department that must depend for its modus operandi on twenty-seven boys on bicycles can hardly be the efficient organization that the Department of Mines and Resources should be and can be and must be. I suggest that one of the first things the government should do in this national capital beautification plan is to erect a building to house the Department of Mines and Resources. In that building should be the most modern ore dressing and ore testing laboratories, and laboratories for the working out of milling practices for different types of ore. There is such a variety of ores in Canada that milling practices virtually differ for each mine even in the same camp. Geophysical prospecting methods should be worked out, as well as refining and smelting processes and the other intricate matters that have to do with the mining industry. Furthermore, extensive research should be undertaken.

I suggest that in this building provision should be made to house representatives of the different provincial departments of mines. While the natural resources belong to the provinces, the dominion has great responsibility in connection therewith. The closest possible liaison should be maintained between the dominion and provincial departments of mines, and this liaison should be continuous and on the technical level.

I looked at the Ottawa plan, but was unable to find that any new building is being proposed for the Department of Mines and Resources. In my opinion the centralization of the department of mines under one roof, making it solely a department of mines—not a sort of wastebasket into which all sorts of other difficult problems can be thrown—and giving it the most modern equipment possible, is one of the first things that any central planning board for Ottawa or for the national capital plan should consider. We must revive our mining industry, and we should become the second largest gold producer, a great iron

mining country and the world's greatest producer of base and light metals. The hon. member for Gaspe (Mr. Langlois) spoke quite recently. I may tell him there are very extensive possibilities with regard to copper in that peninsula.

This country, Mr. Speaker, as far as mining development is concerned, has not been scratched. It takes courage, it takes capital, it takes willingness, and it takes the ingenuity of the people. If we can go ahead with that we shall have no worry about our overall economy.

Mr. G. F. Higgins (St. John's East): I should like to support the resolution so well proposed by the hon. member for Fort William (Mr. McIvor). I do so because I feel it has real merit. Hon. members may not know it, but mining in Newfoundland is the third in value of our primary industries. We do not live on cod or on trees alone. We have a very considerable mining industry as well. It is for that reason that I am anxious that the resolution should be considered by the house, the selfish reason that it may be of great value to your newest province. The area of Newfoundland, and it is rather difficult to realize, is more than two and a half times as great as the area of the three former maritime provinces put together. That area has not been in any way fully prospected. Yet there are traces of all known minerals showing all over the island, and I include of course Labrador.

I was interested to hear hon. members refer this afternoon to uranium. It was only today that I picked up a Newfoundland paper and read an article about uranium. With your permission I should like to refer to it. It is to be found in the St. John's *Evening Telegram* of September 24. The article is headed:

Forestry engineer may set off mining boom.

The article reads:

An undergraduate forestry engineer who is also an amateur geologist read a pamphlet on ores and as a result the biggest mining bonanza in history might hit Newfoundland. The information in the pamphlet relating to ores said that since the discovery of uranium all ores should be examined for radio activity property.

J. A. Bragg, St. John's man, who was born in Greenspond—

in Newfoundland.

—thirty-seven years ago, and has lived in Grand Falls—

also in Newfoundland.

—prior to taking up residence in the city—

meaning St. John's.

—might be the man responsible for the new mining rush. Mr. Bragg spent most of his vacation time from the university of New Brunswick making surveys for local paper companies. In his spare time he made a hobby of collecting minerals of all types.

For some time past Mr. Bragg has outgrown his hobby and the minerals were laid aside in the attic along with other junk which invariably finds a resting place in the 'hobby graveyard."

However, after picking up a pamphlet on minerals and reading that since the discovery of uranium all such material should be examined for radioactive properties, Mr. Bragg decided to resurrect his hobby pieces and have them examined by a geologist. He did. And the results as examined by the government geologists showed that one of the collections was rich in the exclusive radioactive property, even greater than the standard sample supplied by the federal bureau of mines, Ottawa.

The bug at present in further prospecting of the area is a matter for the provincial parliament. Uranium is not classified as a mineral under Newfoundland mining laws. This means that a licence cannot be had until such time as a special act is passed.

As a result no claims can be staked. And for that reason Mr. Bragg is keeping the territory a secret until he is vested with the proper protection and security.

In the meantime a company is being formed and will be known as the Uranium Exploration Limited, and will have head offices in St. John's. Should Mr. Bragg's "find" be the forerunner of a sizable amount of uranium it will mean a terrific boost to the economy of Newfoundland. At the present time this mineral is the most sought after in the world and its value is inestimable.

We might very well say, if that newspaper account is correct, that the so-called private prospector is the person who brought it into being, but of course he could only bring it into being with the aid and assistance of a geologist, and that is what the hon. member's resolution speaks of in this case.

I hope I will not be trespassing on the time of the house if I give a brief résumé—very brief, I may say—of mining in Newfoundland, because I feel that as much as you can know about our newest province is good for all hon. members. The largest red hematite mine not only in the empire but in the world is situated at Wabana in Newfoundland. That mine, in the time since it was established in 1895, has contributed some 50 million tons of iron ore which has been smelted in various parts of the world, and in a very great measure at Sydney, in the province of Nova Scotia. The mine is actually owned by the Dominion Iron and Steel Company of Sydney, who also own the limestone quarry at Aguathuna.

All over the island of Newfoundland and in Labrador there are indications of iron, and with the increasing prominence of iron, even though it is still the cheapest metal in the world, it may be that in the future the province of Newfoundland, as delimited by the terms of union—and I am not going back to *stare decisis* either—can make a very great contribution to the future economy of Canada as a whole. In Labrador some 20,000 miles

of that area have been set aside for exploration by the Labrador Mining and Development Company. The territory of Labrador comprises 119,000 square miles altogether, and of that, as I say, 20,000 square miles have been set aside for a period of ten years. An agreement was made in 1938 and was renewed in 1944 for a period which I believe expires in 1953.

Prospects in that particular area have indicated a wonderful body of ore. I made reference to it in the house before, and I do not think there is any question about the fact that in the future Labrador iron will indeed be a valuable asset to the Dominion of Canada as a whole. I believe I also referred at that time, and it will not do any harm to refer to it again, to the great waterfall of Grand falls which adjoins that property. It is higher than Niagara falls. I do not say that the amount of water going over it is as great as that going over Niagara falls, but there is the possibility of a tremendous hydro-electric development there. There is no reason why that water power could not be used for the smelting of Labrador iron ore, and indeed the iron ore of northern Quebec. At the present time, I believe, the company is controlled by the Hollinger mining interests of Canada, but I understand that a number of United States concerns have bought heavily into that company.

We also have fluorspar at St. Lawrence. This is the mineral that is used as a flux for the melting of iron and also, I believe, of bauxite. Interestingly enough, it is also used in the making of freon, the refrigerant used in your electric refrigerator. I do not know how many refrigerators in Ottawa are using material coming from St. Lawrence in Newfoundland, but I would not be surprised if there were quite a few.

I am going into these matters because a number of these prospects which have developed into mines were discovered originally by the lone prospector who went ahead, without the benefit of outside financing, and who usually was rewarded only with the honour of making the discovery, obtaining little of real value afterward as a result. The ore at Buchans was discovered by a prospector using very advanced apparatus, something developed along the lines of radar. Hans Lundberg was the original discoverer of the lead, zinc and copper at Buchans. The mine was opened in 1928 and has been in continuous operation ever since. A very large new body of ore was discovered there only recently.

Speaking of the new method of prospecting, I understand they are even working from aeroplanes now. I believe they have some type of apparatus rigged in the nose of the plane which passes waves into the ground, no doubt on the radar principle, enabling them to determine what minerals and in what amounts are in the ground at that point. I do not imagine the hon. member for Fort William (Mr. McIvor) contemplated that type of prospecting in preparing this resolution; it is a little too advanced for the ordinary prospector.

Then at Little Bay we also have a mine that has been out of operation for a number of years, but which in days gone by caused Newfoundland to be rated sixth among the copper-producing countries of the world. We do not produce copper to any great extent now, but at one time we were a considerable producer. We have lead at La Manche, near the peninsula of Avalon. That mine was operated originally by the people responsible for the laying of the first transatlantic cable; I believe the name was Mackay. The mine has not been in operation for some years past. It was investigated again very recently with the idea of reopening it, but I do not know the present position. We also have a considerable quantity of coal. Unfortunately for our province the reports indicate that it would not be economically feasible to work that coal, since the seams are supposed to be fractured to such an extent as to make it impracticable.

I have not given this matter the attention some other hon. members have devoted to it, but the main point to which I should like to direct attention is the fact that we have this vast unexplored territory in Newfoundland. With the indication of minerals all over the area it may be that, if a resolution such as the one now under discussion were carried into effect, the mineral resources of Newfoundland might make a great contribution to the economy of Canada as a whole. I am not a mining man, though like all Newfoundlanders I have a great interest in the subject. However, I do feel that one sure way of developing the mining resources of my province, and indeed of the whole country, would be for this house to endorse the resolution proposed this afternoon by the hon. member for Fort William.

Mr. McIvor: Mr. Speaker—

Mr. Deputy Speaker: I understand that if the hon. gentleman speaks now he will close the debate.

Mr. McIvor: I thank those who have given us the benefit of their judgment and experience while speaking in support of this resolution. The object of the resolution has

now been served; we have placed before the government the needs of the prospector in connection with the development of our natural resources. I now ask leave to withdraw the resolution, feeling sure the government will have plenty of opportunity to put into effect what has been suggested in it.

Mr. Deputy Speaker: With the consent of the house the hon. member may have leave to withdraw the resolution.

Motion withdrawn.

CANADA SHIPPING ACT

PROPOSED USE OF FIRE-RESISTING PAINT ON PASSENGER SHIPS

Mr. G. K. Fraser (Peterborough West) moved:

That, in the opinion of this house, early consideration should be given to including in the Canada Shipping Act, a clause making it law that in future every passenger ship, which would come under this act, be painted only with fire-resisting paint on all interior and deck work.

He said: Mr. Speaker, I did not expect this resolution to come on today, but I feel that it can be supported by every hon. member of this house. Few people know anything at all about fire-resisting paint. Few people know that it even exists or can be made; but if such paint is used on a ship certainly there is less danger of fire. I have seen a number of fires on pleasure boats of all kinds, and in each case the fire has spread because the paint has heated and, as the fire has run on the paint, it has become what might be called a flash fire.

I have seen fires of that sort start in one corner of a building. If a door is open and causes a draught the fire will cut a swath perhaps a yard wide right across the building and then spread from there. If a fire-resistant paint is used even a blow torch can be directed on it, though not for any length of time. The paint will sizzle and perhaps burn, but it will not flash or explode as ordinary paint does when it becomes heated. If you look at pictures of ships that have burned, you will see that the paint has even burned off the ironwork. Look at the pictures of the *Noronic* and you will see that the fire has cleaned the paint off the metal work.

Mr. Chevrier: On a point of order, Mr. Speaker, though the hon. member has introduced a resolution which is unquestionably of importance, I believe I should point out to you that the matter of the fire aboard the *Noronic* is now the subject of an inquiry by a justice of the supreme court. While the member may discuss the resolution in so far as it affects fire-resistant paint, I do not think he should discuss questions touching the investigation being conducted by that judge.

[Mr. McIvor.]

Mr. Fraser: I quite agree with the minister, Mr. Speaker, and I shall adopt his suggestion. There are three known formulas for making fire-resistant paints that I know of. I have not those formulas before me, but the one that has been known the longest is the one in which borax is used along with linseed oil as in ordinary paint. If this resolution were given effect and the Department of Transport were to compel ships, especially passenger-carrying ships, to use an approved fire-resistant paint, there certainly would not be the danger of passengers being trapped in their cabins. The painting would not cost any more.

Some people have the idea that a fire-resistant paint must be a water paint, but that is not true. If the right formulas are used, the fire-resistant paint can have a glossy finish, the sort that is necessary on a passenger ship where it is subject to hard wear and tear. Most of these ships are used only in the summer and are, therefore, painted once a year. Ships that are in daily use are painted from time to time throughout the year. The Minister of Transport (Mr. Chevrier) should insist that fire-resistant paints the formulas of which can be supplied by the national research council should be used on every passenger ship carrying Canadians. The lives of our people must be saved. We dare not have fires on our ships.

When I commenced my remarks, Mr. Speaker, I said I did not think this resolution would be reached today. I rose to speak today, however, because I believe time cannot be wasted in our attempt to save lives.

Mr. R. R. Knight (Saskatoon): This resolution affords me an opportunity, which I have been seeking for some time, to bring to the attention of the house a matter which is germane to its subject matter. Before I introduce that particular subject I wish to say that I concur in the remarks of the hon. member who moved this resolution. Last summer I travelled on a ship and, while I do not want to name the ship or the company owning it, I could not help observe the large quantities of paint that were on the metal work. I suspect, although of course I do not know, that the paint was not fire-resistant. I would suggest that, besides using fire-resistant paint, something could be done to avoid amassing coat upon coat of paint. If the old coats of paint were properly removed before a new one was applied, it would I believe reduce the fire hazard to that extent. I recall that this ship had recently been painted and it was not quite dry. One could take a knife and scrape off large quantities of paint, some chunks as thick as your thumb. If the paint were not fire-resistant, I would imagine this would create quite a hazard.

In recent months the country has been shocked by various fire disasters, which have not been confined to ships. Small prairie towns which have not the proper fire equipment often suffer heavy fire losses, sometimes accompanied by loss of life. I have noticed in the eastern provinces, I am thinking of one province in particular, that various types of educational institutions in which the children are boarders are particularly susceptible to fire. In the history of this country there has been tragedy after tragedy in which innocent children have been locked up—I think that is the best word to use—with a resultant loss of life.

In the matter of fire equipment, I should like to make a suggestion. From an inquiry I made this summer, I learned that fire equipment is very expensive. I have discovered that a large part of the capital cost of such equipment is made up of tariff charges. Many of the small municipalities to which I have referred cannot afford the equipment needed to ensure the safety of the citizens and their property. If these tariffs were lowered, there would be a consequent lowering of the price of such equipment. Last year I put a question on the order paper and, like my hon. friend, I did not realize this resolution would come up today, so I have not the statistics furnished me as a result of that question. I did discover, however, that the rate on fire equipment is fairly high. There is a large amount of fire equipment imported into this country.

I cannot see, sir, how this country or any section of this country or any people would wish to profit by keeping out fire equipment which is essential to the preservation of life. I say that, in view of the terror which is engendered by that particular death and the suffering which accompanies it. I do not think this government should put anything in the way of municipalities having the proper fire equipment necessary for the preservation of life and property.

Hon. Lionel Chevrier (Minister of Transport): As I stated a moment ago when I rose on a point of order, Mr. Speaker, this resolution is unquestionably one of importance in view of the disaster which occurred recently. I think everyone will be in sympathy with the object of the hon. member who has introduced it. First of all, however, perhaps I should read the resolution:

That, in the opinion of this house, early consideration should be given to including in the Canada Shipping Act, a clause making it law that in future every passenger ship, which would come under this act, be painted only with fire-resisting paints on all interior and deck work.

In the first place, if this were to be made an obligation on the part of owners of passenger vessels in Canada, it would not be done in this manner; it would not be done by inclusion of a clause in the Canada Shipping Act. It could, however, be done by amendment of the steamship inspection regulations. I do not think the house would want at this stage, in view of this recent tragedy, to amend the steamship inspection regulations without knowing what the recommendations of the board of inquiry will be.

There is considerable difference of opinion on the subject of fire-resisting paints. There are those who maintain that dry wood coated with fire-resisting paint will stop progress of a fire. There are also those who maintain that there is not a great deal of difference. Following this disaster I had in my office the director of chemicals and explosives during the war years. At that time he made a statement to the effect that certain ships during the war were treated wih fire-resisting paints but that the moment they were shelled the paint took fire. Whether or not the paint retarded the progress of the fire is another matter, and one which we did not discuss. I think there is a difference of opinion as to whether or not science has today been able to discover a fire-resisting paint which would be one hundred per cent effective. I am informed that in the United States at the moment there is being made what is known as "flame seal". It has been tested and approved by recognized firms in the United States. I do not know the extent of its resistance to fire. I know that the authorities in the national research council have been asked to test samples of it.

We in Canada have no regulations under the Canada Shipping Act, or in the steamship inspection regulations, requiring the placing of fire-resisting paint on passenger vessels. Neither have the United States any such regulations. The United States coastguard service, which is responsible for steamship inspection, or what is equivalent to steamship inspection in that country, has, I believe, given consideration to a regulation which would impose an obligation upon owners to paint their vessels with fire-resisting paint, but it has never decided to make it mandatory or obligatory on the part of the owner of the vessel.

While I agree and sympathize with the motive of the resolution introduced by the hon. member for Peterborough West (Mr. Fraser)—we are all of the view that we should do everything possible to prevent such an occurrence again—I feel that it would be a mistake to do this piecemeal. I feel that we should await the report of the investigating commission. I have no right to anticipate

what that report might be, nor have I any intention of trying to do so. I think all of us in this house are at a great disadvantage in dealing with a matter of this kind until we have the facts fully before us.

A court of inquiry has been appointed, headed by one of the justices of the Supreme Court of Canada. He is assisted by two assessors and legal counsel. Under the circumstances, if I may so suggest to the house, perhaps the hon. member has achieved what he had in mind in placing this resolution on the order paper, namely, bringing it to the attention of the government. If that is what he has in mind, he certainly has accomplished his purpose. I have no doubt that we were all greatly taken aback by this catastrophe. It would strike me that the better way in which to handle this matter is to await the report of the commission of inquiry. If my hon. friend feels as I do about the matter, perhaps he will not insist that we proceed with the subject matter of the resolution.

Mr. Fraser: I agree with the minister that we should let this matter drop until after the inquiry is over and the report is made. I want to thank him for his remarks. No matter what the report is, I hope his department will consider changing the steamship inspection regulations. After his department and the national research council have studied the "flame seal" that the minister has mentioned, and also the other formulas, I hope the department will put in those regulations a clause making its use compulsory. The minister mentioned that during the war—

The Acting Speaker (Mr. Beaudoin): Order. I am sorry to interrupt the hon. member, but I must point out that he is now exercising his right to reply, and that in doing so he is closing the debate.

Mr. Fraser: That is all right.

Mr. Knowles: You close the debate.

Mr. Fraser: I can drop the resolution. The minister said that during the war fire-resisting paints had been used on some of the ships, and that those in charge did not know whether they had helped. That is quite understandable, because when the men were getting off the ships, under war conditions, they could not tell just what was taking place. From what I have heard from navy men, my understanding is that what was used during the war was the borax formula and that the borax formula is not as fire-resisting as the other known formulas. That is why I feel the minister should go into this matter a little bit more thoroughly and have the formulas tested in the laboratory here and checked up.

[Mr. Chevrier.]

The hon. member for Saskatoon (Mr. Knight) mentioned children being locked up in institutions. I think that is certainly another place were fire-resisting paint should be used. I might say to the hon. member that in the only institution in Peterborough where children are ever locked up—and that is in case a child is picked up on the street for some crime and put in charge of the Children's Aid Society—a policeman is always on guard at the door to see that they get out. That is one thing we have insisted on there. I brought this to the minister's attention, and he promised to look into it. I thank him for that, and I would ask if I might be permitted to drop this resolution now, because it has served its purpose.

Resolution withdrawn.

SOCIAL SECURITY

REQUEST FOR FORMULATION OF NATIONAL PROGRAM

The house resumed, from Monday, October 3, consideration of the motion of Mr. MacInnis:

> That, in the opinion of this house, the government should seek the co-operation of the provinces for the purpose of formulating a program of social security that will be national in scope, adequate in its provisions, and that will cover all citizens of Canada in every circumstance where the individual or the family is, for any reason, deprived of the opportunity of earning a living.

Mr. Knowles: Question.

Mr. E. A. McCusker (Regina City): Mr. Speaker, I rise on a question of privilege. The hon. member for Melfort (Mr. Wright) stated, as reported at page 475 of *Hansard*:

> The hon. member left the wrong impression as far as cancer treatment is concerned. The hon. member stated that cancer treatment had been started long before the present government started in Saskatchewan, but the fact is that free cancer treatment came into effect after the C.C.F. government was elected and introduced the scheme.

I submit I left no wrong impression, for in my statement I did not mention treatment. I further submit that the hon. member has been unfair to me in so stating, and that by the statement I have just quoted he in turn has given the wrong impression to the house.

In order to set the record straight, and for that purpose alone, may I point out that the Cancer Commission Act of Saskatchewan was passed even earlier than I had stated. It was passed in 1930, when Dr. F. D. Munroe was minister of health in the coalition government of that day. It was a comprehensive measure covering all phases of diagnosis and treatment. It provided for the acquisition of radium, and its control by the commission.

In 1940 this act was placed in the revised statutes, without change. In April 1944 Dr.

Uhrich, the then minister of health in the Liberal government, caused the act to be amended so as to permit of free diagnosis and treatment of all patients.

This act was implemented on May 1, 1944, and free treatment was inaugurated then. Under the C.C.F. government which has been in power recently the act has been amended twice, once in 1946 when it changed the constitution of the commission and its times of meeting, and again in 1949 when the only amendment was a change in the meaning of the word "patient".

I have made these observations only for the purpose of correcting the record.

Mr. Knowles: Mr. Speaker, is the hon. member for Halifax (Mr. Dickey) not going to continue the debate? The debate was adjourned the other night, and if he is not prepared to go on and to avail himself of his right to speak, perhaps other members would like to speak.

Mr. Dickey: I was speaking in the debate the other night, when the house adjourned and I would ask that the matter stand over. I did not expect it to go on this afternoon, and I am not prepared to speak at this time. I ask that it stand.

The Acting Speaker (Mr. Beaudoin): Is it the pleasure of the house to have the matter stand?

Mr. Knowles: No.

The Acting Speaker (Mr. Beaudoin): Stand.

SUPPLY

Hon. Alphonse Fournier (Minister of Public Works) moved that the house go into committee of supply.

Motion agreed to and the house went into committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF TRANSPORT

453. Departmental administration, $836,737.

Mr. Green: Mr. Chairman, no one expected that the estimates would come up this afternoon. There is always an extended discussion on the item for departmental administration, and therefore I suggest that it be allowed to stand so that we may go on with one of the detailed items.

Hon. Lionel Chevrier (Minister of Transport): I would have no objection to that at all.

Item stands.

454. Board of Transport Commissioners for Canada—administration, maintenance and operation, $610,880.

Mr. Fraser: Has the minister ever given consideration to the fact that there have been a great many deaths at grade crossings? I believe it was one of the Social Credit members who suggested some time ago that freight cars should have yellow stripes painted down their sides so that automobiles approaching railway crossings would be able to see the freight cars parked across the highway. If this were put into effect I would suggest that the new type of fluorescent paint which shows up at night be used. I think that if a strip of that sort was run along the side of freight cars the cost would be quite small and it would be most helpful in saving a great number of lives.

Mr. Chevrier: I have no doubt that the suggestion made by my hon. friend is one which should be given consideration. The board of transport commissioners has a special division which looks after safety regulations and I shall be glad to direct their attention to this suggestion.

Mr. Fulton: Have any additions been made to the board because of the increased work which will be necessary in connection with the pipe lines?

Mr. Chevrier: Additional clerical and other staff have been appointed, but there has been no increase in the membership of the board and it is not intended to increase it.

Mr. Knowles: I should like to ask a question with regard to two grade crossings on the highway between Winnipeg and Transcona. I realize the minister has a lot on his mind but he may recall that I raised this matter before, both on the floor of the house and by correspondence. At the eastern end of Winnipeg in what is known as Elmwood there are two bad grade crossings, one at the main line of the Canadian Pacific and the other at a branch line, both being on the highway which runs from Winnipeg to Transcona.

While I may not be as familiar with its details as the minister is, I do have a general idea of the formula that governs applications for the elimination of grade crossings. I understand that the municipality or municipalities concerned make application to the board of transport commissioners. If the board thinks that the grade crossing should be removed, either by means of an underpass or in some other way, it so decides and assesses the cost among the municipalities concerned and the railroad. I believe that is substantially correct.

In this case the residents of Elmwood, a community at the eastern end of Winnipeg, are greatly concerned over the existence of these grade crossings. They have taken up the matter with the Winnipeg city council and the council of the town of Transcona.

I think the minister will understand what I mean when I say that, while they met with sympathy from the officials of these two bodies, it was a different thing when it came to making an application that might involve the expenditure of money on their part.

I was wondering whether the minister could say anything about these two cases. They are really only one case because the two crossings are not far apart. Is there any other way—other than by applying to the board of transport commissioners—in which grade crossings like these can be eliminated? Is there any possibility that this might be considered a federal project to reduce unemployment when necessary? Any comment by the minister on the subject will be noted with interest by the people of Elmwood.

I stress the fact that this highway runs from Winnipeg to Transcona, a distance of three or four miles. There is considerable traffic back and forth on this highway, all of which has to cross the main line and branch line of the Canadian Pacific. Both crossings are in a residential area. When I spoke about this matter before, this area was not in the constituency of Winnipeg North Centre, but there was a little redistribution bill a year or two ago which brought it in and I am just as much interested in the matter now as I was then, if not more so.

Mr. Chevrier: The only remarks I could make in connection with the subject matter would be from the standpoint of this department. There is provision in the section of the Railway Act relating to the grade crossing fund to cover cases such as those my hon. friend has referred to. I mean that there is machinery for bringing such a case to the attention of the board. It is then up to the board to decide whether or not the project should be proceeded with.

Before arriving at a decision the board hears evidence, either in Winnipeg or in Ottawa. I assume in a case like this the board would set a date for a hearing. If the board came to the conclusion that it was a project which should be proceeded with they could order that up to 40 per cent of the cost but not exceeding $100,000 should come out of the grade crossing fund and assess the balance, either equally between the municipalities and the railway concerned or proportionately between those different bodies. I am not familiar with the particular case, but I imagine that my estimates will be on some days before they are finished and I shall be glad to get a statement. From what my hon. friend has said I gather that this matter has already been brought to the attention of the board.

[Mr. Knowles.]

Mr. Knowles: I am not sure that it has, particularly if it is necessary that action be taken at the request of the municipalities concerned. What I really want to know is whether there is any other way by which it could be brought to the attention of the board?

Mr. Chevrier: In so far as this department is concerned, there is no other way. It would have to be by way of application, but that application need not be formal. The hon. member referred to the possibility of a provision by way of unemployment assistance, but there is nothing of that sort in my department. I know there was a provision for that prior to the war, but that is a matter concerning departments other than mine.

Mr. Knowles: I appreciate the minister's offer to look into the matter and tell us at a later date if he has any information. This is the Talbot avenue crossing over the Canadian Pacific in Elmwood. As I remember, when the former minister of reconstruction and supply, now the Minister of Trade and Commerce, tabled a white paper in the house in April, 1945, there was some suggestion that the removal of grade crossings would be one project for which the government might get blueprints ready in order to have them on hand for use at a future date. Will the minister look around, both in his own department and anywhere else where they might be found, to see if there are any such plans available for the removal of these two grade crossings?

Mr. Chevrier: The Minister of Reconstruction and Supply did table a document to that effect and the board of transport commissioners were given instructions at one stage to look into projects that would be considered of a priority nature if it should be decided to proceed with such works in the post-war period. The board has done that and has already approved of certain projects across Canada. I cannot give them from memory, but some of them have been proceeded with. Whether or not this particular project is in that list I am not able to say, but I could tell the hon. member at a later date.

Mr. Knowles: If the minister will do so at a later date we can pass the item.

Mr. Graydon: I desire to branch into another field of the minister's jurisdiction, one that is also covered by the Board of Transport Commissioners for Canada. I want to bring to the attention of the house a matter which goes a little beyond the legal aspects of the question which I desire to discuss. I wish to refer to the public aspects of the whole question because of changed conditions in the areas surrounding metropolitan centres

such as Toronto and other large cities of Canada, and I believe that those changed conditions should have a bearing upon the policy adopted by the Board of Transport Commissioners for Canada and the railway companies involved.

I refer to the matter of commutation passenger rates. I know that the question of commutation passenger rates has been a vexed one in many localities. For a number of years in the early part of the century when applications were made for commutation passenger fares they were granted, but in recent times, whether it is because of the policy of the railway companies, the policy of the Board of Transport Commissioners for Canada, or the policy of the government generally, there has been a definite stoppage so far as any extension of commutation passenger rates is concerned.

At the moment I am not able to tell the minister when the last commutation application was granted, but I do know that it seems almost impossible now to have the commutation area extended. I want to bring one fact to the minister's attention. In the town of Brampton where I live, and which I represent as the member for Peel, we are some 21·3 railway miles from the union station in Toronto. We are unable to get commutation passenger rates. Applications were refused in 1909, in 1910 or 1911, and again in 1920.

I am not in any way attempting to indicate that there is any discrimination between the towns of Oakville and Brampton because I think Oakville is entitled to commutation passenger rates. I think it was a very proper thing that Oakville should have been given them originally, and that it should continue to enjoy them. As far as Oakville is concerned, it is farther away from the Toronto union station than the town of Brampton. I think that has been pointed out on previous occasions but nevertheless, for reasons with which I have never been able to find myself in agreement, Brampton has been denied commutation passenger rates.

Since the previous decisions were made, conditions have changed. I could not agree with the decisions that were made at various times in the past, but now their whole basis ought to be reviewed. No longer is the city of Toronto in the same situation as in 1909, 1910 or 1920, because all areas within a radius of normal commutation rates are at least partially identified with the general metropolitan orbit of which the city is the hub. That condition does not apply only to the city of Toronto. It applies to the city of Montreal and other cities as well. I have no doubt that there are many members from the city of Montreal and its suburbs who are seeking the same kind of redress that we are for the situation in which we find ourselves, close to the city of Toronto.

We think the whole question ought to be reviewed. We think that the matter of housing and the extension of the urban population into outlying areas ought to be taken into consideration. The merger of police protection and similar services are being considered for some places adjoining Toronto. Movements are now on foot whereby in a sense we are identified with a great metropolitan area. Because of that the cause which was fought so nobly and so well, but in such a futile way, in earlier days, now becomes a cause that ought to be reviewed, and the town of Brampton should be granted commutation passenger rates.

As the minister knows, there was a definite policy which governed the question of how, when and where commutation rates could be granted. I think the whole policy should now be subject to review, because when the previous decisions were made by the board conditions were so very different from what they are now as to almost create a new case on a new set of circumstances. I am not speaking at the moment for Whitby, Oshawa, and the other places in between those points and the city of Toronto. On the west side of Toronto, however, along the lakeshore route there are commutation passenger rates for all stations between Toronto and Oakville, a distance of 21·4 miles. When you proceed in a more westerly direction from Toronto towards Guelph you find that the commutation rates stop at Weston on the Canadian National, which is only 8·6 miles from the Toronto union station.

That leaves out of consideration a place like Malton which in 1920 was just a village near Toronto. Malton has now become one of the great airports of the continent. It is the home of the A. V. Roe Company, the proud manufacturers of the great jet plane which was demonstrated so successfully yesterday. It has become one of the major manufacturing points in central and western Ontario. It has become a centre of considerable population, but nevertheless because of decisions made in 1920, nearly thirty years ago, and prior to that time, the people of Malton are deprived of commutation passenger fares. Many of the workers at Malton live in the city of Toronto and are using other means of transportation, and in other instances people living at Malton are working in Toronto.

I wish therefore to bring to the minister's attention a situation which I believe calls for a definite remedy. Year by year there has been an increase in passenger traffic as far as Brampton and Malton are concerned. We

think that now, beyond any shadow of doubt, we meet the requirements which in previous years the board, the government, and the railways felt that we were not able to meet. So I would like the minister to take into consideration the possibility of lifting the ban, as it were, on the granting of commutation passenger rates from places as close to metropolitan centres as the town of Brampton is to the city of Toronto. In doing that, perhaps he would also turn to a return for which I asked and which will be found in *Votes and Proceedings* No. 87 of July 24, 1946, on the subject of commutation rates. This will give the minister some idea of the points from which rates are now applicable outside the Toronto area, together with the mileage:

Cedarhurst	61·9
Clarkson	16·1
Danforth	5·3
Downsview	8·0
Dixie Road	10·2
Lakeview	11·1
Lefroy	51·8
Long Branch	8·8
Lorne Park	15·0
Maple Beach	59·9
Mimico	6·8
Oakville	21·4
Oriole	11·2
Parkdale	2·4
Port Bolster	57·9
Port Credit	12·8
Port Union	16·3
Riverdale	2·2
St. Clair Avenue	5·2
Scarboro	8·9
Sunnyside	3·5
Weston	8·6
West Toronto	5·0

The same thing applies on the Canadian Pacific railway:

Don	2·0
West Toronto	4·5
Weston	8·3
Lambton	6·4
Islington	8·7
Summerville	10·9
Dixie	12·6
Cooksville	14·2
Erindale	17·3

That leaves out the important and growing community of Streetsville, which is even closer to the union station than the town of Brampton. This will indicate to the minister just where commutation fares are applicable in the Toronto area, and also how necessary it is to have that commutation passenger rate structure broadened at this time, having in mind the changed circumstances, due to housing and other factors, which have brought about conditions that must be taken into consideration in the immediate future.

I intend to bring up this matter again, perhaps at greater length, when the legislation concerning housing is under consideration, because these matters are definitely linked together. But since several government departments are co-operating in matters of this kind I thought I should at least bring the point to the notice of the minister, under whose jurisdiction the board of transport commissioners operates, so that we might have a preliminary canter with respect to this question. I want to serve notice upon the minister that we are out to get commutation rates for these points I have mentioned; but I hope he will not feel that in making this statement I am doing more than simply emphasizing what I think is a most important point, that owing to changed circumstances this action has become almost a must as far as the outlying districts are concerned.

Mr. Chevrier: I am glad to hear my hon. friend say that he is out to get commutation rates, and that this matter is a must. For his own sake I hope he gets those rates; but I think he will understand when I say that there is a procedure by means of which commutation rates may be obtained. The hon. member commenced his remarks by saying there was a serious situation in his community which called for a remedy. I am not familiar with the circumstances except as I have heard my hon. friend outline them, but in what he has said he has brought forcibly to the attention of parliament a situation which should be given careful consideration.

There is machinery which can be used to try to bring about the remedy my hon. friend refers to, but that machinery is not within the Department of Transport nor is it within the government itself. The Railway Act clearly sets forth that a body has been set up for the purpose of establishing rates. I refer to the Board of Transport Commissioners for Canada. As long as I have been in the department the government certainly has not indicated by direction to that board that they should do thus and so. They are considered to be a court of record, and it is they who decide, on application by the railway association of Canada or any other body, whether or not such rates should apply. If the facts are as suggested by my hon. friend, and I have no doubt they are, does he not think the proper procedure would be to acquaint the board with the situation in the area surrounding the city of Toronto? If it is a fact that the decisions complained of were based on facts twenty or thirty years old, then I am sure the board of transport commissioners would be prepared to give consideration to new circumstances and a new set of facts and, if there is need, alter the decision in the manner required.

I shall be glad, if I can, to facilitate the application to the board on behalf of the people in whom my hon. friend is interested, but I want to assure him at once that the

government does not fix rates and has no intention of doing so. I think it would be a serious mistake if the government were to intervene in rate-fixing problems. That has been considered a matter for the board, and I am sure if my hon. friend and the municipalities bring these matters to the attention of the board, either by a formal application or by a simple letter, they will receive attention.

Mr. Graydon: I thank the minister for his very co-operative reply. The machinery involved, to which he referred, of course is well understood. I am only anxious to have him pour some lubricant on the machinery, and that was my purpose in raising the question this afternoon. We are taking the necessary steps as far as that machinery is concerned, but we need a little oil to make it run more smoothly.

Mr. Higgins: I would like to direct the minister's attention to the question of the railway in Newfoundland. As he knows, that railway now is being operated by the Canadian National Railways. Paragraph (xiv) of the statements on questions raised by the Newfoundland delegation reads:

> After the date of union, the Canadian National Railways will be entrusted with the responsibility of operating the Newfoundland railway and coastal steamship services, and it will be their responsibility to see that services are furnished commensurate with the traffic offering.

In my opinion the services being furnished are not commensurate with the traffic offered. Would the minister make a statement as to whether it is the intention of the government to introduce a standard broad-gauge railway?

Mr. Chevrier: I wonder if the hon. gentleman would raise that question when we are on the proper item. We are now dealing with item 454 concerning the board of transport commissioners. They have no jurisdiction over the particular matter to which my hon. friend refers.

Mr. Higgins: May I take it we shall have a statement of that kind?

Mr. Chevrier: Yes; there will be ample opportunity for discussing the matter which has been raised.

Mr. Higgins: When will that be?

Mr. Chevrier: I will inform the hon. member at the proper time.

Mr. Church: I wish to ask the minister a question on item 454. I call his attention to one fact, that the board of transport commissioners has a duty to the public to perform. Since there are some new members present, perhaps I should inform them that the board, under section 275 of the old act, of its own volition, is required to investigate certain matters. An able man from the maritimes, the Hon. Mr. Justice Archibald, has recently been appointed chairman of that board. I point this out to the minister because he is a young man whom I have always appreciated.

Mr. Chevrier: Thank you.

Mr. Church: Never mind, that is irrelevant.

Mr. Chevrier: I should like to tell the hon. gentleman that I have much respect for him as well.

Mr. Church: I want to point out that this board of transport commissioners has certain duties to perform for the public. I am asking about a steam suburban service for the Toronto district. This board is required, of its own volition, to investigate that problem for the city of Toronto. I believe it is the only large city on the North American continent that has not a steam suburban service and the only one that qualifies for it. I do not blame the present minister because it goes farther back than that.

Those members who have recently entered this house from the Toronto district know that because of the lack of that service there is not a piece of cheap land in that city. During the last session the former member for Davenport referred to the fact that, at one time, during the first war, land was sold for $6 per foot on St. Clair avenue. There were 28 war widows on Boone avenue in one block after the first world war. I happened to be the member for that district for three parliaments. Some time later, it was discerned that the lack of a suburban service in the Toronto district was deplorable. As I was pointing out yesterday, I hope the time is not too far distant when something will be done about it.

Speaking of the board of railway commissioners, what are their functions? They have a large staff of engineers and are required to ascertain whether Montreal is the only city entitled to this service. I contend there is a clause in the act which calls for equality of treatment and equality of rates and tolls imposed by that board as between two districts. If one section of the country receives a service, that service, tolls, rates and equipment must be given to other parts of the country. The hon. member for St. Paul's (Mr. Rooney) knows a great deal about our city and about this matter. At the present time, there is no cheap land in the city. The days of $6 per foot have passed. The city of Toronto is the only city in Canada that can qualify for a similar service on the same basis as Montreal.

I remember when my friend, the hon. member for Peel (Mr. Graydon), was requesting commutation tickets for Brampton and Oakville. The hon. member for Peel knows, too, that there is no cheap land in the city. I am just pointing out that the act specifically says it is the function and duty of the board of transport commissioners, of its own volition, to look into this question and find out whether or not Toronto can qualify for steam suburban service on the same basis as Montreal. I am glad to see Montreal has that service. The only regret is that the board of transport commissioners should be required to carry out the law, and where similar facts exist, similar service should be granted.

Mr. Graydon: Following up what the hon. member for Broadview (Mr. Church) has said, may I ask the minister if there is a difference between the surburban service of Montreal and that which is given to the Toronto area?

Mr. Chevrier: Yes, there is.

Mr. Graydon: What is the distinction? I have just been relying on what the member has said, but I should like to know what the distinction is between the two cities.

Mr. Chevrier: There is such a service between the city of Montreal and the outlying districts and I understand there is not in Toronto.

Mr. Graydon: That is a steam suburban service?

Mr. Chevrier: On that point, there is a suburban service. Dealing with the point raised by my hon. friend, I have to make the same answer as I made to a question a short time ago; that is a matter for the board to decide upon an application to them. The question is: Is that what the hon. gentleman wants, a steam suburban service for the city of Toronto? If it is, I shall be the most astonished man in the world, because the railways have been trying in the last few years to get away from steam locomotives. The hon. member for York West (Mr. Adamson) has on the order paper a bill the purpose of which is to eliminate smoke. He wants the railways to install certain equipment in roundhouses in the city of Toronto to eliminate smoke. We have that request from one gentleman and a request for a steam suburban service from another gentleman.

Mr. Graydon: I want cheap rates.

Mr. Chevrier: If it is cheap rates, that is clearly a matter for the board. If it is a steam suburban service, I think, before one could answer yes to that, more careful consideration would have to be given. I know the railways are modernizing their equipment and eliminating steam locomotives.

Mr. Hodgson: They are getting diesels?

Mr. Chevrier: Yes, diesels. The Canadian Pacific Railway Company announced a policy some time ago to the effect that no more steam locomotives would be purchased. They are directing their attention exclusively towards diesels. I believe I am safe in saying that is substantially the policy of the Canadian National Railways.

Coming back to the question of rates, if that is the question that is being brought to the attention of the house, I must say it is a matter for the board to decide upon application to it.

Mr. Green: As the committee knows, the board of transport commissioners recently handed down a decision on the application of the railways for an increase of twenty per cent and also on a rehearing of the former application. The general result of the decision was an increase in rates of 29 per cent. In giving judgment, the board stated that was only a temporary increase, and that they would give further consideration to the application of the railways for a 20 per cent increase after the two inquiries which are being undertaken have been completed.

As we all know, there is a royal commission on transportation which has been sitting for some months. In addition, the board of transport commissioners was ordered to make a general inquiry into the whole freight rate structure, and particularly into the question of discrimination. Can the minister tell us when those two inquiries are to be completed? It would appear that the board's inquiry has not yet got under way. The result is that it will probably be some time before they make a finding. This is particularly important to the western provinces and to the eastern provinces because, with the recent increase in rates, the discrimination was made just that much worse than it had been before. Apparently there can be no remedy for the discrimination until these two reports are in.

Mr. Chevrier: It is of course rather difficult to tell the hon. member for Vancouver-Quadra the exact time at which these two investigations will be completed. The royal commission has had sittings in western Canada, has gone down to Newfoundland and is now on its way back; in fact, it is back. When it will move to the other provinces, if it so decides, I am not in a position to say. I hardly think they will have completed the hearings before the month of December, and it will be some

time after that before they are able to compile the tremendous amount of evidence before them and bring down their conclusions. Whether it would be a year from now or not, I am not in a position to say. If I had had the opportunity of consulting with the chairman, I might be able to give the hon. member some idea with regard to the time; but it will certainly not be in the immediate future.

Dealing with order in council P.C. 1487, on the general equalization of freight rates—

Mr. Green: The minister is now dealing with the inquiry to be undertaken by the board of transport commissioners as distinguished from that undertaken by the royal commission?

Mr. Chevrier: I am dealing with P.C. 1487 which authorized the board of transport commissioners to set up an inquiry to deal with the general matter of the equalization of freight rates. That has been under way now for almost a year, and at the moment the board is going into the study of the waybill, which is an important factor in arriving at the matter of discrimination. It will be some months still—in fact, I think it will go into next year—before they are able to conclude their findings on the waybill study. As to when they will bring in their report, I am afraid I cannot give my hon. friend any definite date, except to say that it will not be soon.

Mr. Green: Will public hearings be held by the board of transport commissioners in carrying out this general inquiry, or is that merely a study being undertaken by them?

Mr. Chevrier: Yes, it is a study being undertaken by the board.

Mr. Green: Last spring we understood that the board would be holding public hearings having to do with this question of discrimination. Surely, on an important matter like that, they are not going to make their findings without giving the provinces an opportunity to make representations.

Mr. Chevrier: That is a matter which the chairman, in conjunction with the other members of the board, will have to decide. I do not know what he intends to do. He is the court and he is the one who must decide whether hearings will be held across the country or not. I cannot speak for him at this time without consultation with him. The waybill subject matter is one of study; it is not one which would call for a public hearing. The matter of the mountain differential was one which did, and hearings were held. I think that is a matter for the discretion of the chairman.

Mr. Green: As I understood it, the provinces were asking for an opportunity to make representations on this whole question of discrimination. The board of transport commissioners has wide power under the order in council. When that order in council was passed, was it not the intention of the government that the board should hold public hearings?

Mr. Chevrier: The board has already held one public hearing. Having decided to remove the mountain differential in the British Columbia area, they then thought the next procedure was to make a study of the waybill. Having done that, what they intend to do afterwards is something I am not able to say. As to the intention of the government, I have made statements from time to time, and the order in council is there. I do not think I should elaborate further.

Mr. Green: Perhaps the minister could tell the committee at a later date what plan the board have in mind.

Mr. Chevrier: Yes. I shall be glad to consult with the chairman of the board and at a later date to make a statement as to his intention.

Mr. Green: This is an exceedingly important matter.

Mr. Chevrier: Unquestionably it is an exceedingly important matter.

Mr. Green: I would ask that the minister allow the item to stand.

Mr. Chevrier: Surely we can discuss this matter on the general item.

Mr. Green: No—

Mr. Chevrier: Just a minute. If it is the intention of the committee to let every item such as this stand, we shall never get on. At my hon. friend's request we have let item 453 stand, so that we could discuss general matters. I tell my friend now that he will have an opportunity to deal with this matter under item 453. I should think that would be sufficient.

Mr. Green: I have run into difficulties before over some plan of this kind. It is now six o'clock. This information for which I have asked the minister is most important, and I would suggest that the item be allowed to stand.

Item stands.

The Chairman: It being six o'clock, shall I report progress and ask leave to sit again?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow is private members' day.

Mr. Graydon: In view of our experience today, I should like to ask the minister this question. If tomorrow we find that private members' notices of motions stand in such numbers and as frequently as they did this afternoon, what will the government business be following disposal of them?

Mr. Knowles: Public bills and orders come first.

Mr. Fournier (Hull): We have some bills under study in committee which we could take up, or we could revert to estimates of the Department of Agriculture or of the Department of Transport.

Mr. Graydon: Would the business of tomorrow include the bill to amend the Supreme Court Act?

Mr. Fournier (Hull): Probably; and the bill to amend the Exchequer Court Act and the one to amend the Department of Justice Act.

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

HOUSE OF COMMONS

Thursday, October 6, 1949

The house met at three o'clock.

REVISED STATUTES OF CANADA ACT

SUBSTITUTION OF "CANADA" FOR "DOMINION OF CANADA", ETC.

Mr. Bona Arsenault (Bonaventure) moved for leave to introduce Bill No. 14, to amend an act respecting the Revised Statutes of Canada.

Some hon. Members: Explain.

Mr. Arsenault: Mr. Speaker, this is an amendment to subsection 1 of section 5 of the act respecting the Revised Statutes of Canada which was adopted during the session of 1947-48. The amendment provides for the addition of the following words:

—and whenever in the said statutes or acts, or amendments thereto, the expression "Dominion of Canada" is used, there shall be substituted therefor the expression "Canada", and whenever the word "Dominion" is used, there shall be substituted therefor the word "Canada" or "Canadian or "federal", respectively, or such other adequate word as the context requires.

The reason for this amendment is obvious. It is to be found in the fact that since Canada has ceased to be a dominion and has become a sovereign state, the word "dominion" as applied to Canada has lost its meaning, and—

Mr. Speaker: I think the hon. member has given his reason for moving for leave to introduce the bill.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SASKATOON TERMINAL ELEVATOR

Mr. Diefenbaker:

1. What is the capacity of the government terminal elevator in Saskatoon?
2. How much wheat was in storage in said elevator in each month commencing August 1, 1948 and ending July 31, 1949?

Mr. McIlraith:

1. 5,500,000 bushels.

2. Quantity of wheat in store at the end of each month: August, 1948, 6,808 bus.; September, 1948, 3,575 bus.; October, 1948, 5,516 bus.; November, 1948, 2,321 bus.; December, 1948, 580 bus.; January, 1949, 3,046 bus.; February, 1949, 3,046 bus.; March, 1949, 3,046 bus.; April, 1949, 3,046 bus.; May, 1949, 3,046 bus.; June, 1949, 185 bus.; July, 1949, 185 bus.

EMPLOYMENT—DOMINION AND PROVINCIAL GOVERNMENTS

Mr. Hatfield:

1. What is the total working population of Canada?
2. Of the total working population of Canada, how many are employed by the dominion government and how many by the provincial governments (a) permanent; (b) temporary?

Mr. Cote (Verdun-La Salle):

1. As at June 4, 1949, total employment in Canada was 5,018,000 out of a total labour force of 5,121,000.

2. As at March 31, 1949, there were (a) 37,909 permanents and (b) 86,015 temporaries employed by the dominion government.

There is no information available in the Department of Labour in regard to the number employed by the provincial governments.

STERLING-DOLLAR DEVALUATION—TEXTILE AND WOOLLEN INDUSTRIES

Mr. LaCroix:

1. Are the textile and woollen industries already losing the domestic markets to British competitors, owing to the recent sterling-dollar devaluation?
2. Have there been any layoffs and wage reductions among the workers in the textile and woollen industries in consequence of this devaluation?
3. What steps are being taken by the government to safeguard such employees?

Mr. McIlraith:

1. There is no evidence to show that the Canadian textile industry is losing its domestic markets to British competitors owing to the sterling-dollar devaluation.

2. No layoffs or wage reductions have been reported to this department which could be attributed to the recent sterling devaluation.

3. Answered by Nos. 1 and 2.

FOREST FIRES

Mr. Gauthier (Portneuf):

1. How many acres of forest have been destroyed by fire, in Canada, in each of the years, 1940 to 1948, inclusive?
2. What was the value, in Canadian dollars, of timber so destroyed, in each of the above mentioned years?

Mr. Maybank:

Statistics on Forest Fires in Canada, 1940–1948

Year	Forested area burned acres	Non-forested area burned acres	Total area burned acres	Estimated stumpage value of merchantable timber burned	Estimated value of young growth burned	Total estimated value of timber burned
				$	$	$
1940	1,448,174	1,242,961	2,691,135	1,355,322	1,102,385	2,457,707
1941	3,329,038	923,613	4,252,651	8,814,098	2,510,806	11,324,904
1942	914,871	923,600	1,838,471	1,169,923	1,129,775	2,299,698
1943	272,117	555,713	827,830	251,821	246,508	498,329
1944	1,664,060	739,001	2,403,061	3,083,944	1,551,551	4,635,495
1945	450,911	290,620	741,531	1,018,679	477,247	1,495,926
1946	428,983	587,723	1,016,706	635,268	478,495	1,113,763
1947	297,436	315,571	613,007	565,560	386,796	952,356
1948	1,842,868	1,342,115	3,184,983	3,426,308	1,377,943	4,804,251
Total	10,648,458	6,920,917	17,569,375	20,320,923	9,261,506	29,582,429

NOTES

Above figures do not include the Yukon and Northwest Territory, for which complete statistics are not available during this period.

Much of the merchantable timber burned, and included in the estimated stumpage values above, may have been salvaged in accessible areas.

Losses on cut-over lands are included with young growth above.

ATOMIC ENERGY

INQUIRY AS TO SETTING UP OF COMMITTEE

On the orders of the day:

Mr. H. O. White (Middlesex East): I should like to address a question to the Prime Minister. In view of the fact that complacency never won a battle, is the government in a position to indicate whether a house committee on atomic power will be set up, and if so, when?

Right Hon. L. S. St. Laurent (Prime Minister): Under the rules of the house a special committee was appointed to report on the composition of the standing committees. I hope that its report will be ready tomorrow. There has been some delay, because suggestions must be obtained from the different groups in the house as to the personnel of the committee. It was felt that we should set up the standing committees before introducing any motions for special committees.

AGRICULTURE

INTERNATIONAL PLOWING MATCH AT BURFORD, ONT., OCTOBER 11 TO 14

On the orders of the day:

Mr. J. A. Charlton (Brant-Wentworth): On a question of privilege, Mr. Speaker, as you are well aware, the international plowing match, the largest annual competition in the world, is being held next week, October 11 to 14, at Burford, Ontario, in the county of Brant. Although you, sir, now represent that portion of Brant county which I had the honour to serve prior to the last election, as the member for the adjoining riding of Brant-Wentworth I should like to take this opportunity to extend to all hon. members of the house a most hearty invitation to attend this outstanding event in Canadian agriculture. It is indeed a unique occasion, and I consider it a great privilege to be able to speak on your behalf, sir, on this occasion.

I can assure hon. members that the welcome mat will be out in the city of Brantford, the county of Brant, and most particularly the riding of Brant-Wentworth.

PUBLIC BUILDINGS

SITE FOR PROPOSED CONSTRUCTION IN CHARLOTTETOWN

On the orders of the day:

Hon. Alphonse Fournier (Minister of Public Works): Last Tuesday the hon. member for Queens, P.E.I., (Mr. McLure) asked a question concerning the site of the proposed new

building in Charlottetown. His question was, in part:

When will the department or the government make a definite statement about these properties, so that these land owners, home owners and tenants can make arrangements for other locations in the future?

I see I made quite a short answer. I said: "As soon as possible." I think in fairness to the hon. member I should give him the following details.

Notice of expropriation was filed against properties contained in the city block bounded by Richmond street, Pownall street, Sidney street and Queen street in Charlottetown in March of this year, these properties comprising the site selected for the new public building.

Valuations have been obtained on these properties, compiled by Mr. P. S. Bradley and Mr. Gilbert Gaudet of Charlottetown, and the owners communicated with in regard to negotiations for settlements for the properties. No settlements have yet been made, because the asking prices are much in excess of our valuations. The department is now arranging for a third valuation, and upon receipt of this valuation the owners will be communicated with again.

The chief architect has stated that vacant possession of the properties will be required for April 1, 1950, and it is the intention to have notices to vacate by that date forwarded to the former owners at once. In the meantime, negotiations towards settlements for the acquisition of these properties will be continued.

POSTAL SERVICE

RURAL MAIL COURIERS—INQUIRY AS TO SETTING UP OF COMMITTEE

On the orders of the day:

Mr. Gordon Graydon (Peel): I should like to direct a question to the Postmaster General, and to suggest to him that he should give consideration to a question raised by me last year. I refer to the setting up of a special committee of the house to deal with the problems affecting the rural mail couriers of Canada. He is a new postmaster general. I should like to see him break new ground.

Hon. Edouard Rinfret (Postmaster General): I shall be pleased to consider the proposal.

NAVIGABLE WATERS PROTECTION ACT

POLLUTION—CONTROL OF INDUSTRIAL PLANTS AND OIL REFINERIES

Mr. Rodney Adamson (York West) moved the second reading of Bill No. 6, to amend the Navigable Waters Protection Act.

He said: Mr. Speaker, the amendment concerns two principles. The first is the protection of the riparian rights of persons dwelling on or using the banks of navigable streams or lakes. The second is the democratic principle of the greatest good for the greatest number. The terms of the present act as to pollution definitely give the minister limited authority. The limitation of the present statute is that it proscribes and prohibits the pollution of navigable waters by the depositing of any sawdust, edgings, slabs, bark or rubbish of any description whatsoever into any river, stream or other water, any part of which is navigable or which flows into any navigable water. That provision is to be found in the present Navigable Waters Protection Act, section 19, chapter 140 of the Revised Statutes of Canada. It definitely establishes the right of the federal parliament to deal with matters concerning navigable waters, and waters running into navigable waters.

The amendment that I propose for the consideration of the house today is merely an enlargement of the description of the methods of pollution of navigable waters. The bill is in almost identical words with the original act, and includes such substances as oil, sawdust, chemicals or other industrial pollution. The amendment to section 19 reads:

No owner, lessee, or person operating any industrial plant, oil refinery, chemical works, sawmill or other plant or works, or any other person, shall discharge or throw or allow to be discharged or thrown any noxious waste product, oil, sawdust, chemical or other matter or thing into a river, stream or other water any part of which is navigable or which flows into any navigable water, which has the effect of polluting the water into which it enters or is liable to pollute such waters.

In the same phraseology as the original act, it merely enlarges the description of the methods of pollution. In my opinion it does not alter, substantially or otherwise, the powers and the jurisdiction of the federal parliament; nor is it in any way ultra vires of the rights of the federal parliament because of the overriding rights of any provincial parliament.

In this connection a case has recently been decided in the Supreme Court of Canada which has a definite bearing on the amendment I am introducing in the house today. I am going to quote certain salient paragraphs of the judgments rendered by the Supreme Court of Ontario, in both trial and appellate divisions, and by the Supreme Court of Canada, which judgment was rendered only the day before yesterday. The case is known as McKie v. the K.V.P. Company Limited. Briefly, the company was sued by the owners of riparian rights on the Spanish

river, who sought damages as a result of the pollution of the waters of that river. The first judgment had this to say:

> The proprietor of riparian lands has a right incident to the land, independent of ownership of the *solum* of the stream or river, to the flow of water through or by his land in its natural state, and if the stream is polluted or otherwise interfered with so as to affect this right, by an upper riparian proprietor (who has not yet acquired a prescriptive right so to interfere), the lower proprietor may maintain an action for an injunction without proving damage, which is presumed from the interference with the right. It is immaterial, in such an action, that the defendant carries on a business which is important to the community, and carries it on in a proper manner, nor are the economic necessities of the defendant relevant to be considered.

The second paragraph of the judgment reads:

> Where smells arise from a river, caused by the effluent entering the water from a mill, and are so offensive as to be an actual and substantial interference with the comfort and enjoyment of properties on the river, measured by ordinary and reasonable standards, and consequently what has been an attractive resort for tourists becomes much less desirable, the owners of the properties are entitled to relief on the footing of nuisance, as well as to relief based on the interference with their riparian rights.

In this case the learned judge awarded damages and also granted an injunction; and it is with the injunction in particular I wish to deal at the present time. The learned judge had this to say:

> On all the evidence I find as a fact that the waters of the Spanish river below the defendant's plant have been polluted by the defendant in such a manner as to change their character and substantially affect the use to which the plaintiffs were entitled to put them and to interfere with the enjoyment of the plaintiffs as occupiers of riparian lands.

In his judgment the judge also went back to the common law:

> The origin of the common law applicable to this subject goes back to and beyond the Roman law.

The judgment goes on to state clearly the rights of riparian ownership, but I need not add to the quotations I have already given. It awarded certain sums of money to the plaintiffs, and also—and this is the important point—granted an injunction prohibiting the company from continuing the practice of dumping this effluent into the Spanish river. The injunction is in these terms:

> An injunction will go restraining the defendant from depositing foreign substances or matter in the Spanish river which alter the character or quality of the water flowing over the lands of the plaintiff . . .

The important point in that judgment is that the learned judge based his decision upon the alteration of the quality of the water. That judgment was taken to the appellate division of the Supreme Court of Ontario, where the appeal was dismissed and the judgment sustained. In dismissing the appeal the chief justice had this to say:

> It is no defence to the person who pollutes to show that the waters were already polluted by other persons. Nor is it a defence that the pollution is the result of business operations carried on in a proper manner and that the business is important to the community.

This judgment was rendered by Chief Justice Robertson, with Justices Laidlaw and Aylesworth concurring. The judgment sustains the damages awarded in the first action and also continues the injunction in these words:

> This court doth order and adjudge that the defendant be, and it is hereby, restrained from depositing foreign substances or matter in the Spanish river which alter the character or quality of the water washing the lands owned or occupied by the plaintiff . . .
>
> This court doth order and adjudge that the defendant be, and it is hereby, restrained from discharging or permitting to be discharged from the defendant's works mentioned in the pleadings, into the waters of the Spanish river, any substance or matter that, to the injury of the plaintiff, affects the quality or character of the waters of the said river where the plaintiff's lands border upon it, or that causes the said waters to become less pure than otherwise they would be.

These judgments contain voluminous references both to the common law and to decisions of the privy council, and are in the strongest possible legal terms.

After that judgment was rendered the Ontario act was altered, and an appeal was taken to the Supreme Court of Canada, in which the decision was rendered only the day before yesterday.

Mr. Chevrier: May I ask the hon. gentleman a question? In what manner has the Ontario act been amended?

Mr. Adamson: I will give the minister that information. It was amended to prevent an injunction being imposed against an industrial plant. There were qualifications to that amendment, but that was the substance of it.

To continue with the supreme court judgment, Mr. Justice Kerwin says:

> The sole point argued before us was as to the injunction.

The learned justices say that the injunction shall stand, despite the amendment to the Ontario statute. It was because of the alteration to the Ontario act that counsel for the company appealed and said the injunction should not stand. The supreme court decided, however, that because the case had come to trial before the Ontario statute was amended, the original judgment with regard to the injunction should stand.

I quote from the supreme court judgment:

> The amended act came into force on the day it received the royal assent, April 1, 1949, and while the judgment of the court of appeal was given

November 22, 1948, it is contended that the appeal to this court is "pending" within the meaning of the enactment.

May I clear up a point by quoting from the judgment?

. . . and since a provincial legislature may not extend the jurisdiction of this court as conferred by parliament, such a provision as the one here in question would not, even if it purported so to do, enable this court to give a judgment that was impossible in law at the time of the decision of the court of appeal.

The reason for the appeal, briefly, was that this company felt seriously aggrieved by the injunction. An alteration in the law was sought which would permit a company causing pollution or distress to riparian owners to pay those riparian owners for the distress so caused. The company could, at the same time, continue the practice which caused those damages. In other words, companies operating on a river could continue to pollute the stream as long as they continued to pay damages to the people inconvenienced by that pollution. Not being a lawyer, Mr. Speaker, I am unable to say whether or not that is a good principle of law. I do know it is not a good principle of ethics, and it is not a good principle from the humanitarian point of view.

The supreme court said:

The rights of riparian owners have always been zealously guarded by the courts.

The learned judges quoted from a privy council decision by Lord Sumner which reads as follows:

The grant of an injunction is the proper remedy for a violation of right, according to a current of authority, which is of many years' standing and is practically unbroken.

There is one more decision of the privy council to which reference is made in this judgment. It is a decision by Viscount Finlay, Lord Birkenhead, and Lord Dunedin. It says in part:

. . . the courts have on more than one occasion expressed their determination to prevent any abuse of the act by legalizing the commission of torts by any defendant who was able and willing to pay damages.

There are quotations from several other cases, all to the same effect. The basic rule is that the injunction shall stand.

So far as I am able to ascertain, Mr. Speaker, that is the legal position in this case. The Ontario act has been amended; so it would seem to me that the sole protector of riparian rights on navigable waters, and waters running into navigable streams, is the federal parliament. The wording of section 19 of the act is to that effect; therefore I believe I am borne out in my contentions.

We come now, sir, to the question of possible damage to industry through this bill which I have introduced. I am informed that most of the states in the northern United States have enacted similar legislation to that which I am requesting with regard to the pollution of streams. The question of the rights of industry versus the rights of the people is one that should receive careful study. Obviously it would be harmful if an act were passed by this parliament enforcing such restrictions against the pulp and paper industry and others who are not discharging an effluent which damages any riparian owners. It would be wrong, by such an act, so to prescribe their actions and their operations that it would become difficult or impossible for them to continue. I believe that the terms of my amendment are sufficiently flexible to give the power to the minister and the board of transport commissioners to decide each case on its merits. It is left to the good judgment of the court to decide whether or not damage was done.

There again we come to the question of the greatest good for the greatest number. Obviously that is not a legal point, but certainly it is an ethical point; and it is one of the fundamental points of democracy. Obviously it would be wrong to put into any statute something which would cause unemployment or restrict the development of the pulp and paper industry. But, sir, in this case, where there was abundant evidence of pollution that made this river completely and absolutely unusable, the courts have decided that there should be an injunction directing that such pollution should cease.

I want to speak briefly about one other industry which I know something about, and which also has a problem in connection with effluent disposal. I refer to the mining industry. Tailings or slimes containing cyanide—the waste rock or the waste mill products—must be disposed of in some way The practice has been to dump these tailings into a lake, and in some cases damage has no doubt been done to the lakes so treated. But although several mines have dumped tailings into Red lake—and I have a letter to this effect on my desk at the moment—the fishing and bathing in that lake have not been seriously interfered with because of pollution. Therefore that type of industrial pollution, while not to be recommended, is nevertheless not in the same class as that with which the learned justices of the supreme court dealt in the case of K.V.P. v. McKie. I am quite sure that the mining industry can in the future build its mills so that the tailings and the slimes can in most cases be deposited on land and not dumped into the waters of surrounding lakes. In many cases slimes can perform the useful service of providing a firebreak around the property so that mines built in the bush can provide themselves

with a ring of fire protection around the camp. As a matter of fact that is what is being done at the present time in Kirkland Lake. We must also take into consideration the fact that all these industrial processes are constantly improving and developing. I am informed that it is the modern practice of kraft mills such as K.V.P. to store their fibre effluent which causes damage, and to burn this effluent after a period of leaching or drying. I am told that in some kraft mills in the United States this product actually provides heat and power for the mills for several days a month. In the case that I have referred to it was stated that some four or five tons of these fibres were discharged every day into the Spanish river, and the evidence given was to the effect that this material could be dried and burned. I am not competent to pass judgment on that matter, but the information was given to me by an engineer whose opinion I esteem.

So much for the law; so much for the possibility of proscribing and restraining industrial development because of this bill. Now we come to the real reason why I have introduced this measure to this house.

During the summer of this year, because of pollution, by oil slick and other noxious substances, of the water along the shore of lake Ontario for several miles in the vicinity of Toronto, the use of all the beaches in my riding—and I understand of the beaches elsewhere also—was prohibited by orders of the medical officers of health in the respective municipalities. The use of Sunnyside beach, Long Branch beach, the beaches at the east end of Toronto, at New Toronto, and in Mimico—all teeming with bathers and swimmers from the industrial centres immediately behind them—was completely prohibited during that period by the medical officers of health, because of the pollution, generally considered to be caused by oil, which had taken place. Pictures were published showing, at Sunnyside beach—probably the most densely populated beach in all of Canada—bathers attempting to go into the water and coming out with their feet dripping with oil sludge and pollution.

Here again the principle of the greatest good for the greatest number should apply. A population of a million people were prevented, during one of the longest hot spells we have ever experienced—for a period not of days but weeks—from using their beaches and their lakes because of industrial pollution. This is a situation which, in my opinion, the parliament of Canada should not tolerate—and parliament is the competent authority to deal with it. Attempts were made to trace the source of this pollution. One of the suspected sources refused to admit anyone to its premises to ascertain the cause, or the suspected cause of the lake pollution, and under the present law apparently no remedial action was possible.

So much for the pollution with regard to human rights; besides that, Mr. Speaker, a great number of wildfowl were killed by the oil lying on the water, and the conservation authorities were much distressed about it. In addition, numerous small craft were seriously incommoded by the oil slime which fouled their bottoms. The smell of the oil, or whatever it was, caused putrefaction of marine growth, and in itself was offensive until the entire lake shore became a malodorous place, the conditions being similar to those on the Spanish river. This, again, is a condition which in this day and age, in this day of better living, should not be tolerated by a modern state.

But there is one more thing. The oil slick was considered to be a serious fire hazard. Fortunately it did not catch fire, but I understand that the fire authorities in Toronto took what they considered to be necessary precautions, and were greatly concerned lest it should catch fire; statements to that effect were made throughout the press of Toronto and the surrounding districts. Therefore on that ground I believe that this industrial pollution should be stopped.

I repeat, Mr. Speaker, that this is an instance in which a million people have suffered owing to the pollution of that part of lake Ontario.

We come now to the suggested remedies. The amendment I have introduced gives the minister power to inspect any installation or industry, oil refinery, chemical plant or other works situated on or near a navigable water or a stream entering into that navigable water. This merely means that the minister may, as happened this summer, if the residents of the district are suspicious that a certain industrial plant is polluting the water, send an inspector into that plant to see that the plant is operated in such a way as not to cause pollution of the water. It is reasonable to suggest that this be done. If the plant in question is not polluting the water, nothing is done. If the plant in question is polluting the water, the minister may put in inspectors, or may require the burning or other disposal of the waste product which is being discharged into the lake; or he may take other measures which he and his inspectors, who will be technically trained men, deem to be necessary and proper. If the industry considers that it is not being fairly treated, the appeal, as in all cases, will be to the board of transport commissioners. I feel that that is a necessary qualification in this act. Apparently at the present time, under the Ontario

statutes, you can dump anything into lake Ontario and there is nobody to say you nay. If anybody sues you for damage under riparian rights, he can collect small damages, but you cannot prevent the industry in question from continuing to pollute the lake. This is indefensible. I suggest that the amendment I have introduced does not injure any industry which is not polluting the water; nor does it injure any industry that has a proper method of waste disposal.

I come now to the next part of the bill, which concerns sewage disposal. It may surprise hon. members to know that a great number of the larger cities of Canada do in fact discharge raw and untreated sewage right into the rivers or lakes. I understand that the capital city of Ottawa is one of the greatest offenders in this regard. I am also informed that the city of Montreal has no sewage disposal plant. The house will remember the violence of the expressions used some years ago with regard to sewage disposal in Chicago, and that the United States authorities required Chicago to install sewage disposal plants at considerable cost. The city of Chicago did in fact install sewage disposal plants. It seems to me that this whole question of sewage disposal requires a great deal more consideration than it has been given up to the present time.

Mr. Deputy Speaker: I am sorry, but the hon. member has already exceeded his time.

Mr. Adamson: I thought that on introducing a bill I could continue beyond the forty minutes.

Some hon. Members: Go ahead.

Mr. Deputy Speaker: Has the hon. member the unanimous consent of the house?

Some hon. Members: Yes.

Mr. Adamson: The proper disposal of sewage is a matter requiring the attention of all levels of government, because in many ways it is expensive to install a sewage disposal plant. However, modern sewage disposal plants have been found to be good investments, and modern practice has shown that they can be made to pay their way.

During the summer the concentration of colon bacillus increases as the year goes on, generally reaching the maximum late in August or early in September. It is significant that the curve of the incidence of poliomyelitis almost follows the curve of the increase in concentration of colon bacillus. This is not to say that the colon bacillus is responsible for poliomyelitis, but there is at least circumstantial evidence that this killing disease has an affinity for colon bacillus.

Sewage oxidizes with the turbulence of a river, and tends to dilute and become less dangerous, provided that the concentration in the first instance is not too great. However, if it is too great that does not occur, and the sewage continues to be a menace for many miles down the river. The Ottawa river is a case in point; the sewage discharged by the city of Ottawa causes much discomfort and is a menace to health for a considerable stretch along the river below the city. So much for sewage disposal.

In this bill the penalties are increased above those in the original bill. There has been a decrease in the value of money, and I felt that the penalties for breaches should be increased.

Water is one of Canada's most sacred trusts. The North American continent has three-quarters of the fresh water of the world. A citizen from any other continent coming to North America is impressed by the abundance of fresh water, particularly when he comes to Canada. It is an inheritance which we must guard.

No other country is dependent upon water to the extent that Canada is. No other country develops so much power from water, and no other country uses it to the extent that we do for navigation. In no other country is it put to so much use as a tourist attraction. It seems to me it is the fundamental duty of this parliament and of the whole Canadian people to preserve, maintain and conserve the rivers and lakes of the country as a sacred trust. This is the overriding reason for the introduction of this measure.

Mr. T. L. Church (Broadview): Mr. Speaker, I should like to call the attention of the hon. gentleman to some of the features of this bill. I am sorry I did not have an opportunity to confer with the hon. gentleman. I did not know this bill was coming up until five minutes to three, although he sent a note to my office at 1.40 p.m. I have conferred with the law clerk about the bill. I admit that the bill has a laudable object. I should like to quote a letter which I wrote to the mayor of Toronto, Hiram E. McCallum, in connection with this matter, as follows:

> I forward to you eight copies of Bill No. 6, introduced by Mr. Rodney Adamson, M.P., in the House of Commons, which is up for first reading in the house tonight, Sept. 27.

A letter was also sent to Dr. Ollivier, Law Clerk of the House of Commons, before the bill was up for second reading. The letter reads in part:

> You will note by the bill, as I see it, that if such a bill passes it will prevent the city from using Coatsworth Cut and pouring the liquids from the main drainage works into lake Ontario accordingly.

You may remember that the Don river used to flow into Toronto bay. Then the city spent $30 million on harbour improvements, including the viaduct which now runs across the front of the city. I want to commend the hon. gentleman for introducing this bill, but I should like to call his attention to one feature of it. As I have said, I wrote to Dr. Ollivier, Law Clerk of the House of Commons, who is learned in this subject and has written a textbook. The letter continues:

You might also note that the *Globe and Mail* in an editorial last Friday approved of the Adamson bill, as did an editorial in the Toronto *Telegram* of Monday, October 3, although the bill will prevent the city of Toronto from pouring any liquids into lake Ontario. The city spent $50 million on a duplicate intake pipe.

The people of the riding of the hon. member who is proposing this amendment are using that water. It is pure water, and when you turn on the tap it is cold. It is filtered and chlorinated. As much water as would fill this chamber would need only a small quantity of chlorine, about the size of an ink stand.

The city spent $50 million on a duplicate intake pipe off Scarborough beach, and the plans were passed by the Minister of Public Works (Mr. Fournier). Before the city of Toronto started this $50 million project at Scarborough they applied, under the Navigable Waters Protection Act, to the Minister of Public Works, who must sanction the plans and specifications. After proper notice the various authorities came down here and the minister issued the necessary permit to proceed with the plant.

I want to call your attention to the size of Toronto harbour today, because there are some new members in the house. Under the new definition, Toronto harbour starts at the centre of the Humber river, the dividing line between the city of Toronto and the township, and runs straight south of the Humber river out into lake Ontario for a distance of three miles, thence east about a mile and a half off Toronto island to a point off Woodbine avenue. Woodbine avenue is as far as the harbour improvement runs on the east. Thence it runs inland. That is the new definition of the harbour, and the harbour authorities have the power to prevent pollution in that territory. A lot of money was spent, and the plans were passed by the Minister of Public Works.

The letter to the mayor of Toronto continues as follows:

. . . and formerly we only had one intake pipe off Gibraltar point, Toronto island—

Near the Sick Children's hospital.

—which had not been inspected for thirty-five years. It blew up in 1910 and 1911, and the city was compelled to drink water from lake Ontario, through a tunnel from the lake off Toronto island, thence north to Long pond to the shore tunnel at Mugg's landing, Toronto island, and thence across Toronto bay to the pumping station at the foot of John street.

This civic water is pure water, filtered by the slow sand filtration method at the filtration plant on Toronto island and under chlorination of a small amount. The water is always cold, and we have had hardly any diphtheria or typhoid fever since.

The city built a duplicate intake system costing about $50 million at Victoria park, and has been giving city water to large sections of the county of York to the east, north and west of the city limits proper. These outside places are also being allowed to use Toronto's greatly overtaxed sewage disposal main drainage works in front of the Woodbine race track, where the liquids only are poured after the diversion of the Don river through Coatsworth Cut into lake Ontario accordingly.

I have not had the opportunity yet of conferring with Mr. Adamson about his bill. It also deals with the Don river. As I was born near the banks of the river Don, I know something about that river. There has always been sewage poured into the Don, in my opinion.

Dr. Ollivier, Law Clerk of the House of Commons, gave his opinion on the bill. In my letter to the mayor of the city of Toronto I said:

In my opinion the bill is so worded as to prevent the city from pouring any liquids into lake Ontario in the future, although the city had its plans passed under the Navigable Waters Protection Act by the Minister of Public Works before going ahead with the Scarborough plant. These outside places are also using Toronto's greatly overtaxed sewage disposal works from your main drainage works in front of the Woodbine race track. I shall be glad to give you any further information you wish on the subject.

Dr. Ollivier's opinion is as follows:

If you will so authorize me, I would bring your letter to the attention of Mr. Adamson, with whom I have co-operated in the preparation of his bill.

You will notice that I was careful to provide that not only should noxious products not be discharged in navigable waters but also in all streams or waters which flow into any navigable water.

It is true, as you state, that the Toronto harbour commission has the right to pass bylaws and rules and regulations preventing pollution of waters within their boundary—

That is the new boundary which I explained a few minutes ago.

—and therefore it would not be a bad idea to make it clear that the prescription applies to them as well as to any municipality, although I imagine that the words "any other person shall . . . allow to be discharged . . ." would cover the case.

As to the city of Toronto, they would by the bill be prevented from pouring their liquids at Coatsworth Cut, etc.

It is the opinion of the law clerk, and I gave him the same opinion some time ago, that the city of Toronto would be prevented from doing so by the bill. They would be prevented from pouring liquids into Coatsworth Cut, and using the main drainage works accordingly.

I am sorry to have to take this stand, because I believe that the hon. member had a laudable objective in mind in bringing his

proposal before the house. As you know, Toronto harbour is now fenced off. I remember when the people of Toronto used to be able to bathe at the beaches at Parkdale and all over Toronto island, and at the eastern beaches. That was before the harbour improvement began, but the harbour improvement fenced it off, and there was only one bathing place. They constructed a bath house at Sunnyside which cost $400,000. I did not believe in it myself, and I voted against it when the matter was before the harbour board. I was then mayor, and we were told if we did not proceed with the plan they would stop the work at Ottawa. They spent $400,000 on a bath house at Sunnyside, but the water of the lake is always too cold for the bathers. The result was that the city had to build a very large open air swimming pool at Sunnyside to the east of the bath house. The water of this pool is chlorinated and filtered and is always at a temperature of not less than sixty-five degrees.

When members of the House of Commons visited Toronto last April they saw it, but it was not opened until May. I wish they could have seen it in the summertime, but we hope to have them come to see us again. We hope that some members will be coming up to attend the winter fair.

I do not know that there is anything more I can say about the bill. I do not wish to detain the house longer, but I want to point out that the city of Toronto has been most just and generous to these outlying municipalities. They not only give them water, but they also allow them to use the main drainage works. Otherwise some of those municipalities, which are not very well off, would have had to build their own water plants, and they would be getting their water in the same way as they do in other cities where diphtheria and typhoid are more prevalent.

In 1910 the old intake at Toronto island broke up. I was on the board of control in 1910. They tried for two years to raise the original intake pipe off Gibraltar point, which is near the Sick Children's hospital. Then I got Mr. Robert Weddell, senior, of Trenton, who built the western entrance to Toronto harbour, and Captain John Manley. They went out there at seven o'clock in the morning. They said that the principle that had been followed in trying to raise the broken intake pipe off Toronto island by pontoons was all wrong. I was opposed to that myself, and the powerful Toronto *Telegram* came to our support. Mr. Weddell and Captain Manley went out with two scows, and a diver went down. One scow was placed on each side of the broken intake pipe; the diver put cables at both ends of that pipe and after about five hours work it was hauled up to a scow and afterwards brought to the foot of John street. It was repaired in about ten days and replaced in the original position off Toronto island.

That shows what can be done by an efficient public works department. Public leaders may be here today and gone tomorrow, and the key to good municipal government is to have good heads of departments. During the seven years I was in office in Toronto, with the exception of one or two departments, I doubt if I discussed matters in their own offices with the heads of the various departments of that city. They had full authority in regard to policy and full authority to appoint their staffs. I never interfered.

I commend the hon. gentleman Mr. Adamson on the good work he has done, because he has been a most valuable member of this house; but I would ask that he allow this bill to stand until he has conferred with officials of the city of Toronto. I do not want to prevent anyone from speaking on the bill today; far from it. I would ask the hon. gentleman, however, to consider the Toronto angle. Throughout his riding they are using that drinking water. It is pure and cold, chlorinated and filtered. They also use the sewage disposal works; otherwise they would have to provide their own water supply and sewage works, at great expense. The city of Toronto has been most just and generous, and I believe many other cities could adopt the method followed by that great city. It is a great city, though we have no ministers representing it in the cabinet. Now, however, we have some young Liberal members of parliament on the government side coming from Toronto, and I hope they will study this bill and help look after the interests of that city.

While I commend the young member for his good intentions and good works, I would remind him as well as hon. gentlemen opposite that you can never answer a newspaper; it always has the last word. I believe the newspapers had a worthy object in view in endeavouring to give the people of Toronto some of the bathing beaches they had in the old days, but I regret to say that the way they have attempted to attain their objective does not meet the needs of the case.

Mr. W. J. Henderson (Kingston City): I believe the hon. member who introduced this bill put forth a sincere effort, and perhaps had a real grievance, but I should like to refer very briefly to one or two points in connection with it. This bill proposes to repeal section 19 of the Navigable Waters Protection Act. If we read that section closely we will see that it deals with the physical aspects of

navigation, with the turning of propellers, the obstruction to ships, and so on. If we read the proposed section 19 (1), however, it all boils down to the pollution of the water. I suggest that the amendment takes away the real meaning of the original section 19, dealing with the physical aspects of navigation; and we all realize that the act then would be incomplete, because a ship could still travel in polluted waters. That is the first comment I have to offer, and I suggest that the present section 19 should remain as it is.

No one likes a drink of pure water better than I do, but I think we must look at this from the standpoint of the greatest good to the greatest number. I live in Kingston, which is an old, historic city. Some of the newer places may consider us a little old-fashioned, because our sewage is still poured into lake Ontario where it enters the St. Lawrence river. Occasionally we have complaints as far as the water is concerned; but if this bill were adopted I suggest it would work a great hardship on the ratepayers of Kingston and other municipalities similarly situated, which dispose of their sewage in that way. I am sure the number of ratepayers who would be adversely affected would be much greater than the number of people who would benefit, because the adoption of this bill would require the immediate installation of sewage disposal plants.

In his amendment the hon. member has suggested some remedies. I do not believe they would be sufficient to give proper guidance to those who might be administering this legislation. Furthermore I believe this is a matter which should be left to the province, since it concerns property and civil rights. I suggest that it has been brought up in the wrong house. Section 2 of the proposed bill reads:

> The said act is further amended by adding immediately after section twenty-six the following section:
>
> "26A. (1) The minister may, if he has reason to believe that an industrial plant is likely to discharge noxious substances into navigable waters, or into any river, stream or other water which flows into any navigable water, appoint inspectors, empowered to reside at the plant and report any violation of the provisions of the act. The cost of maintaining such inspectors shall be chargeable against and a debt owing the crown by the owner, lessee or operator of the plant."

I think that is definitely a matter of property and civil rights, and I suggest this parliament is not empowered to pass any measure of that kind. So while I agree with the principle put forward by the hon. member, I suggest that at the present time this bill is premature as far as the older municipalities are concerned, such as Kingston, Belleville, Napanee and so on. I believe it is a proper matter to be considered by the province in which the situation arises, and not by the federal authorities.

Mr. D. F. Brown (Essex West): Mr. Speaker, the constituency I have the honour to represent is very much interested in the bill which has been introduced in this house by the hon. member for York West (Mr. Adamson). My constituency consists of the city of Windsor and the contiguous township of Sandwich West. It is situated at the junction of lake St. Clair and the Detroit river, which incidentally is the busiest inland waterway in the world. South of that, there is lake Erie. You can see, therefore, that the pollution of waters is a matter of great importance to us; and many worthy local organizations have been studying this problem for some time.

At this time, I should like to pay tribute to the valuable work of the international joint commission. The facts that it has uncovered and the recommendations it has made from time to time for the correction of the pollution of fresh waters have proven very valuable to my constituents. I should like to be associated with that a tribute to one who sat in this chamber, the Hon. James Glen. He also served as Minister of Mines and Resources and is now chairman of the international joint commission. The constituency of Essex West appreciates the work he has done.

Many public and semi-public bodies have taken a great deal of interest in assisting the different governmental organizations in uncovering the facts. One of these organizations is the Essex County Sportsmen's Association. I have before me two telegrams, one from Mr. L. Albrough, the president, and the other from the secretary-treasurer, Mr. S. E. Chauvin, in which they have asked me to support the bill on behalf of the 1,800 members of that particular branch of the sportsmen's association. It is their feeling that this is a step in the right direction. The members of the association are deeply interested in this work and have, therefore, asked me to support the bill.

For reasons which I shall give later, I do not think that this is the proper time to support such a measure. I do, however, believe the principle of the bill is a laudable one which should be supported by all hon. members. For the reasons that have been given by the hon. member for Kingston City (Mr. Henderson), and which I imagine will be given by the Minister of Transport in due course, I do not believe this is the proper place to introduce such a measure.

In my constituency we are deeply concerned about the pollution of navigable fresh waters. The Essex County Sportsmen's

Association has done a great deal, as I have said, to uncover the facts concerning this matter. As a matter of fact, this summer that organization took me on a tour of the Detroit river, showing me a place where a particular corporation is now pumping refuse from the United States and dumping it on an island in that river. It is the claim of the experts who accompanied us on this trip that the refuse being dumped on this island has caused the foliage, weeds, and things of that nature in the area to dry up and disappear. This, of course, has caused the disappearance of the fish and wildlife from that area. I am drawing this to the attention of the government because permission was given recently for the installation of additional pipe lines to carry this refuse from the United States. The chemicals from the refuse which has accumulated in piles on the island are flowing into the stream.

The city of Windsor has, I understand, made plans for the treating of the sewage from the city and adjacent towns. There are other sources of pollution. A rather serious case was brought to our attention recently in which one of the public utilities was allowing oil to enter what is known as the river Canard. This oil became ignited and killed thousands of dollars' worth of fish, muskrat and other game. I do not propose to deal with the legal aspects of the matter, because that will be ably handled at a later time. Many people, and particularly those who have riparian rights, have suffered considerable damage because of the pollution of these waters, not only in the streams I have mentioned but in many others as well. We must consider, however, the place from which relief should be sought, and my opinion is that this measure should have been introduced in the legislature of the province of Ontario.

The introduction of this bill has value in that it will provide publicity for this particular question, the pollution of fresh water, not only in my constituency but throughout the whole of Canada. It will provide a subject of conversation and will arouse the Canadian people generally to the great harm being done innocently by industries in the pollution of these streams. Large commercial corporations will also learn of the loss they are suffering in permitting this refuse to go into these rivers. Some of this refuse has a high commercial value. Without giving too many illustrations, I may say that I have been told by experts of several cases in the Detroit river and lake St. Clair area in which, after investigation, the industries in question were told how to eliminate the pollution of the water and, at the same time, derive considerable commercial value from the refuse that had been dumped in the river.

I believe, Mr. Speaker, that this bill has had some value in the publicity which will be given the subject. For the reasons I have stated I cannot support the bill, but I can commend the principle of it to the Canadian people.

Mr. John Hunter (Parkdale): I am fortunate enough, Mr. Speaker, to represent the riding of Parkdale in Toronto. I say "fortunate" advisedly since I am the first Liberal to represent that riding since confederation.

I have listened with great interest and with great respect to the argument for and the clear explanation of the bill placed before the house by the hon. member for York West (Mr. Adamson). My riding of Parkdale fronts on lake Ontario, and at the south of it is Sunnyside beach. As has been stated by the hon. member for York West, that beach was covered with oil for most of the summer. I could hardly help being in complete sympathy with the motivation behind the first section of this bill. While my sympathy is there, however, what little reason I possess tells me that we are in the wrong jurisdiction. I would suggest with respect, and I have not made a constitutional study of this bill, that the dominion, under section 91 of the British North America Act, has jurisdiction over navigation and shipping; and that, accordingly, unless we are dealing with the matter of navigation and shipping, we are dealing with something which is not within the legislative powers of this parliament.

In the bill presented here, it would appear to be a fairly clear case of trying to prevent pollution. It is possible that pollution might affect navigation and shipping. I can conceive of pollution being so heavy and so burdensome that it would cover the bottom of a river or canal to the point that navigation might be difficult or impossible. But until such a thing happens or is in danger of happening—and again I offer this opinion with the greatest respect to the hon. members of this house—I personally feel that the matter would not come under navigation and shipping. Possibly also, if the liquid became so thick that it hindered navigation to the point that it lessened the normal speed of vessels, it might be considered under navigation and shipping. While I not only sympathize with the motives behind this bill, and only wish it were possible for us to pass a bill of this kind, in so far as section 1 of it is concerned, I nevertheless submit with respect that this parliament has no jurisdiction.

As to section 2 of the bill—and at this stage I am not proposing to go into the particulars of the sections; I am dealing with the bill generally—I would welcome it with the greatest of delight. It would give the Minister of Transport (Mr. Chevrier) the power to send inspectors into the industries throughout Canada for the purpose of preventing pollution, and the industries in question would pay the salaries of those inspectors. That is a delightful dream that we politicians have had for many years. I can just conceive of the minister sending thousands and thousands of Liberal devotees into the industries of Canada, and having those industries pay for those inspectors. This is something that all politicians have dreamed of but have never dared to hope for.

I must confess that I am surprised to see subsection 2 of section 2 in the bill, coming as it does from the hon. member for York West, a member of the Progressive Conservative party. Hon. members will observe that the governor in council is authorized to prescribe for the violation of this section such penalties as he may deem necessary. The hon. gentleman is proposing that we pass an order in council.

In the learned and delicate manner in which this matter was handled by the hon. member for York West, he has taken a simple matter of pollution and worked it up so that it has reached the lofty pinnacle of human rights. That is no mean accomplishment. In view of the heights to which this pollution has risen, I would humbly suggest to the hon. member for York West that he withdraw this bill and make it a section of that bill which has been so often recommended to this house by the hon. member for Lake Centre (Mr. Diefenbaker).

I should like to support this bill with regard to section 1. I think it would be a delightful thing if we had jurisdiction to deal with this matter. I am anxious to clear up this situation in the interests not only of my own constituency but of contiguous ridings. One cannot help sympathizing with the motive behind this bill. This matter of pollution is a nuisance, having been for generations injurious to health and in many other ways as well. Steps should be taken to remedy the situation. I cannot think of anything that is more necessary throughout the provinces of this country. As I suggested earlier, I do not feel that it is a matter for the parliament of Canada to deal with, but that opinion is again offered humbly and with respect.

I am wondering, Mr. Speaker, if we could not have the views of the Minister of Transport on this matter. He doubtless has a clear conception of the constitutionality of the bill before the house. It would be a distinct pleasure to me to have his views if he sees fit to offer them at this time.

Hon. Lionel Chevrier (Minister of Transport): I have listened with interest, Mr. Speaker, to this debate which has been participated in by members on both sides of the house. I think there will be general agreement with the intention of the hon. member for York West (Mr. Adamson) and the purpose he had in mind when he introduced this bill. It is a laudable thing for the hon. member to seek to protect the waters of lake Ontario and those of other lakes and streams against pollution by oil and other chemical products. No one who has the interests of his constituents at heart wants to see the beaches—whether they be on lake Ontario or on any of our other lakes and streams—polluted to the extent to which the hon. gentleman has made reference. But, however laudable is the intention of the hon. member for York West, there can be no doubt that there would not be the slightest use of attempting to find a remedy in a place which has no jurisdiction, to begin with, and never could have it in any sense of the word.

I said that I listened with interest to the debate which has taken place. I do not think I need to speak at great length because several of the members who have spoken have challenged the validity of this proposed act, even a member on the same side of the house as the hon. member for York West. I refer to the hon. member for Broadview (Mr. Church), who is a lawyer and who I think immediately realized—as did the hon. member for Kingston City (Mr. Henderson) and the hon. member for Parkdale (Mr. Hunter)—the futility of attempting, by the method suggested, to deal with a serious situation such as that complained about. I think my friend the hon. member for York West presented an excellent argument—and as I listened to him he piled up argument after argument—for provincial intervention, but certainly not for dominion intervention. He started off by saying that the amendment contained two principles. One was the protection of riparian rights. Surely the federal government has no jurisdiction with reference to riparian rights. It is a question of property and civil rights, which falls under the jurisdiction of the provinces.

The hon. member cited the case of McKie v. K.V.P., 1941, 1 D.L.R. at page 39, which is clear evidence against him that this is a matter for provincial, and not federal, jurisdiction. Then he went on to say that the real reason for introducing the bill was to do away with pollution of waters. Pollution is a matter which concerns health and therefore falls under the jurisdiction of the province.

I do not want to repeat what the hon. member for Parkdale (Mr. Hunter), the hon. member for Kingston City (Mr. Henderson) and the hon. member for Broadview (Mr. Church) said, but let me summarize in one word if I may the legal argument, dealing with only one factual argument afterwards.

The hon. member seeks to amend the Navigable Waters Protection Act. That act is divided into three parts. The first part deals with works which are built in navigable waters and is under the jurisdiction of the Minister of Public Works. The second part concerns the protection, the obstruction, the interference and the impeding of navigation and is under the jurisdiction of the Minister of Transport. The third part has to do with the installation of ferry cable crossings, swing bridges and the like, and is also under the jurisdiction of the Minister of Transport. The part with which we are concerned at the moment is part II, clearly that which concerns the protection of navigation. The whole intent of part II of the Navigable Waters Protection Act is to protect navigation. The words say so. The whole intent of my hon. friend's bill is to do away with pollution. His bill clearly says so, or at least section 19 (1) does. I will not read it all because it is somewhat lengthy, but the governing words of section 19 (1) are these:

> . . . which has the effect of polluting the water into which it enters or is liable to pollute such waters.

In one word the act deals with the protection of navigation, and in another word the bill deals with the pollution of waters. The latter is a matter of health and therefore is one falling under the jurisdiction of the provinces.

Subsection (2) is clearly ultra vires. It says:

> No municipality with a population greater than three thousand shall discharge or permit the discharge by its officers, servants, or employees of raw sewage into navigable water or into any other water which flows into navigable water.

Section 92, paragraph 8, of the British North America Act states:

> In each province the legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated; that is to say,—
> Municipal institutions in the province.

My hon. friend would want this parliament to legislate with reference to municipal institutions in the province. He provides in his bill for direction to the municipalities. Clearly that section is equally ultra vires. The same may be said of section 26A (1)—and I am repeating here the argument of the hon. member for Parkdale and the hon. member for Kingston City, when I maintain that section 26A (1) of the bill is straight interference with property and civil rights. What right would the Minister of Transport have to direct or instruct the owners of provincial plants? What right would he have to place officers in those institutions, the direction over which lies with the provinces? It would be straight interference with property and civil rights. I think the same can be said of subsection 2 of section 26A (1), which would constitute another interference with municipal institutions.

The explanatory note of the bill indicates what the hon. gentleman had in mind. It states:

> The purpose of this act is to control industrial plants and oil refineries situated on navigable waters, . . .

I submit with deference that this house has no jurisdiction to control industrial plants and oil refineries simply because they are situated on navigable water. We have certain jurisdiction over navigable waters by virtue of part II of the act. For instance, section 19 is intended to keep channels free of logs, sawdust, edgings, slabs and other things which may impede navigation; but in no sense can oil be said to impede navigation, certainly not in the sense that this bill contemplates. Then the explanatory note goes on to say:

> . . . so that their operation does not result in the pollution of the surrounding water area and shore line.

The word "pollution" and the words, "shore line" clearly indicate to me that these are matters concerning property and civil rights and therefore come under provincial jurisdiction. The last sentence of the explanatory note reads:

> These three new sections merely enlarge the scope of the original act . . .

This is not a true statement of fact. The three new sections do not merely enlarge the scope of the act; they change entirely the intention of the act. The act is for the protection of navigation; the bill deals with protection against pollution; therefore it is not an enlargement of the scope, it is a change in the nature of the act. The explanatory note goes on to say:

> . . . which dealt solely with the pollution of navigable waters by sawmills.

The act does not deal with the pollution of navigable waters; it is concerned with navigation and the protection of navigation.

I do not think I need elaborate on the legal points any further. The hon. member will agree that the house is sympathetic toward him, and appreciates the feelings of the people who have suffered because of the pollution. But clearly this is not the forum where the remedy should be found.

The matter is one which has been of particular interest to me because in the city of Cornwall, whence I come, a similar situation

has arisen from time to time, and the position taken there was the same as that now taken.

It might interest the house to know that in 1946 the international joint commission was asked to consider the problem of pollution of waters in so far as they were international, and they were asked by the Department of Transport to undertake a survey of such waters in order to determine the factors responsible for pollution and to recommend appropriate steps to the respective governments of Canada and the United States, because it was felt at that time by myself and the officers of the department that this was far too important a question not to be given the best possible attention. For that reason the international joint commission, which was asked to take it under advisement, appointed an advisory board of eight technicians, four from Canada—two from the Department of National Health and Welfare and two from the provincial department of health of Ontario—and four from the United States.

The first part of this advisory board's report, covering the waters between lake Superior and lake Erie, will be presented to the international joint commission on October 12, 1949. The second section of their report, covering the waters between lake Erie and lake Ontario, is in the course of preparation and will not be available when the findings of the field staff are fully analysed. This survey, I need hardly say, concerns the pollution of international boundary waters from all causes and not from oil alone. Its terms of reference do not cover the bodies of water between lake Ontario and the end of the international section of the St. Lawrence river near Cornwall.

If it meets with the approval of the house I am perfectly willing to ask the international joint commission to add to its survey the additional international waters extending from the head of lake Ontario to the international boundary at Cornwall.

I think it will meet the wishes of all hon. members, in part at least, if a practical suggestion is made in regard to an attempt to assist those who have suffered by the pollution of waters. But to endeavour to do it by an act of this parliament or by this bill would be, I believe, a serious mistake, even if it could be done, which it cannot. Such legislation would be challenged immediately and I have no doubt would be declared ultra vires.

Therefore I have to inform the house that, for the reasons given, the government cannot accept this bill. I would hope that what I have said will meet the feeling of the house and that perhaps the hon. gentleman will be willing to withdraw his bill.

[Mr. Chevrier.]

Mr. H. W. Herridge (Kootenay West): Mr. Speaker, before this debate closes I should like to say a few words. First, I wish to congratulate the hon. member upon having introduced this bill, bringing this important matter to the attention of the house and thereby to the attention of the country. This matter of pollution has been overlooked too long in many places in Canada up to the present time.

While I support the principle of the bill I quite agree with the legalistic argument of the minister as far as the jurisdiction of this house to pass this legislation is concerned. I do not think we can deal with this situation adequately until there is a national policy on pollution of rivers as a result of co-operation between the federal and provincial governments. Therefore I do not think it is sufficient for the minister just to give a legalistic argument in reply to the hon. member who has introduced this bill.

I would point out to the minister that the present act deals with the pollution of navigable waters by saw mills, but even those provisions are not enforced. I should like the minister to tell the house at some time the procedure that is followed for the enforcement of those provisions in the act.

Mr. Chevrier: The procedure is to bring into operation sections 27 to 30 of the act which provide penalties for anyone who obstructs navigation contrary to the sections of part I of the act. Any person may proceed under those sections.

Mr. Herridge: This question of navigable waters is a most interesting one because we get so many constitutional definitions. I have had navigable waters explained to me as being under the jurisdiction of the federal government in so far as they are being used for navigation, and as being under the jurisdiction of the provinces when they are being used for the development of power. So far I have not had any clear explanation of the jurisdiction that applies so far as pollution is concerned.

I might say that I was in the provincial legislature of British Columbia some years ago and at that time I brought up the question of the pollution of navigable waters. I was then told that it was a federal matter. We certainly are not going to get anywhere with this matter by simply giving legal explanations for inaction. The only hope we can have of solving this question is through co-operation with the provinces. This is a most important matter in many parts of this country. When considering a problem I always like to find out what others have done and in this connection I

have read some United States literature. That country being older and more densely populated, the question has become more intense and serious. From what I read, the different states have had considerable difficulty in connection with the pollution of navigable and other waters. I should like to read to the house details of the policy that has been developed by Pennsylvania as the result of years of study and experience. Here is the policy now in effect in the state of Pennsylvania:

> Under this, the streams of the country, upon the basis of their use in transporting sewage and industrial wastes, may be classified into three groups, as has been done by the sanitary water board of Pennsylvania:
>
> Class A: Relatively clean and pure streams. Streams in their natural state probably subject to chance contamination by human beings but unpolluted or uncontaminated from any artificial source, hence generally fit for domestic water supply after chlorination, will support fish life and may be safely used for recreational purposes.

I recognize that in dealing with this question there has to be a compromise between theory and practice. I am giving the house these classifications because from what I have read I think they represent a proper compromise between theory and practice. I continue:

> Class B: Streams in which pollution shall be controlled. Streams more or less polluted, where the extent of regulation, control, or elimination of pollution will be determined by a consideration of (a) The present and probable future use and condition of the stream; (b) The practicability of remedial measures for abatement of pollution; and (c) The general interests of the public through the protection of the public health, the health of animals, fish and aquatic life, and the use of the stream for recreational purposes.
>
> Class C: Polluted streams. Streams now so polluted that they cannot be used as sources of public water supplies, will not support fish life and are not used for recreational purposes and also from the standpoint of the public interests and practicability it is not now necessary, economical, or advisable to attempt to restore them to a clean condition.
>
> All artificial pollution of Class A streams is prohibited. Any sewage or industrial wastes on the watershed are to be treated to such a degree that the effluent shall be practically free from suspended matter, nonputrescent and disinfected. Recreational use shall not be sanctioned within prejudicial influence of waterworks' intakes.
>
> The degree of treatment of sewage and industrial wastes discharged into Class B streams is to be determined for each particular stream or portion thereof after consideration of the general interests of the public and the economics of the particular case.
>
> Sewage and industrial wastes may be discharged into Class C streams provided that they do not create a public nuisance or menace to health.

I have read that outline of classification as far as pollution of streams is concerned because I think it is the basis for a sound approach to the whole situation in Canada. I hope that, now the member has brought the matter to the attention of the house, something will be done about it. It is obviously a matter of great interest to quite a number of members, and I hope that the minister will explore the question beyond the legal aspect in order that it may be taken up with the provinces to see if something cannot be done, by co-operation between the provinces and the federal government, to develop a national policy regarding the pollution of navigable and other waters.

Mr. Adamson: I understand that if I speak now I close the debate.

Mr. Deputy Speaker: Yes.

Mr. Rodney Adamson (York West): In closing the debate, may I say that I am grateful for the legal opinions offered by the Minister of Transport (Mr. Chevrier). I do not disagree with him, but the original act simply refers to sawdust, edgings, slabs, bark or rubbish of any description whatsoever being discharged into any river or stream. Perhaps bark or slabs may be considered a menace to navigation, but certainly sawdust and rubbish cannot be considered any more a menace to navigation than oil slicks which, as has been pointed out, foul the bottoms of ships, create a considerable fire hazard, upset the internal operations of condensers for cooling water, thus making it impossible to obtain drinking water from the lakes, and in other ways interfere with the operation of ships.

I submit that the bill is intra vires because of the way section 19 now reads. However, I will not press that, because I am grateful to the minister for having suggested that the international joint commission will undertake a study of the matter of pollution. The Canadian members of the international joint commission were appointed by this house. At the present time they are studying and reporting on the subject of pollution although it is considered to be ultra vires of this house. I merely mention that as an example of the tortuous reasonings and difficulties that we get into on the constitutional question of whether a bill such as mine is ultra vires of the jurisdiction of the house.

Sewage disposal was mentioned by several members who seem to object to some treatment of raw sewage before it is discharged into the waters of the country. Let me say to them that eventually the discharging of raw sewage will be prohibited. Eventually an enlightened public opinion will see to it that raw sewage is treated. My suggestion was that a start should be made at once because the longer it goes on, and the larger the cities grow, the more difficult the solution of the problem will be.

I had hoped that the bill might be sent to the railway committee where experts on the matter of pollution, people who know the problem, and interested industrialists could get together and give evidence from which a suitable bill might have been evolved and presented to the house. That is not the wish of the government, however, so that cannot happen. I think it is a pity because, despite the question of jurisdiction, despite the legal arguments, the members of this house are sent here to protect the interests of their constituents. I feel that the pollution of navigable waters not only creates a hazard to navigation for the reasons I have given, but also is a considerable menace to the people who live beside these navigable waters.

Motion (Mr. Adamson) negatived on division.

MEAT PACKING INDUSTRY

WORKS AND UNDERTAKINGS DECLARED TO BE FOR THE GENERAL ADVANTAGE OF CANADA

The house resumed from Friday, September 30, consideration of the motion of Mr. Stewart (Winnipeg North) for the second reading of Bill No. 5, to declare the meat packing industry works for the general advantage of Canada.

Mr. M. J. Coldwell (Rosetown-Biggar): Before we proceed to vote on this measure to amend the Industrial Relations and Disputes Investigation Act I want to say a few words. I believe that the bill sponsored by the hon. member for Winnipeg North is of great importance not only to the meat packing industry but to Canada as a whole. I believe it can be regarded as a bill which is in line with words used in the British North America Act, "for the peace, order and good government of Canada." Its object of course is to take into consideration that part of the meat packing industry that carries on operations in two or more provinces, subject of course to paragraph (c) of section 53 of the Industrial Relations and Disputes Investigation Act, and therefore to give parliament the right to intervene in disputes of nation-wide importance. Section 92 of the British North America Act sets out the powers conferred upon the provinces at confederation. In my reading of the English language and the act, not placing a strictly legalistic interpretation upon the words, it seems to me it was clearly intended that provincial legislatures should have jurisdiction over all matters of provincial interest. Paragraph 10 states this very clearly, when it excepts:

> Local works and undertakings other than such as are of the following classes:

Then, as hon. members will remember, it enumerates undertakings which clearly cut across provincial boundaries and are indeed of national consequence. For example, it states:

> Lines of steam or other ships, railways, canals, telegraphs, and other works and undertakings connecting the province with any other or others of the provinces, or extending beyond the limits of the province.

Then subparagraph (c) adds this:

> Such works as, although wholly situate within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

At the time of confederation there was no meat packing industry as we understand it today. Under conditions then existing the community was served by many small butcher shops. The butcher slaughtered the cattle and served the community with the meat. He was in close relationship with the agricultural producer, the farmer, whom he usually knew and from whom he bought his cattle; and he knew the members of the community who would buy at his shop. That was the situation some eighty years ago. In this country today, however, as in the United States and some other countries, that primitive butchering industry has given way to a nation-wide packing industry. In our own country we not only find that industry nation-wide; in the main we find it in the hands of three great companies. There are smaller packing concerns, of course, but the dominant companies in that field are Canada Packers, Swift Canadian and Burns Limited. Those three companies employ thousands of people from one end of this country to the other. They purchase their livestock not directly from the farmers but largely through commission agents in a few large centres. In the same way their products are sold all across the country through various agencies. So the industry is entirely different from that which was known at the time of confederation.

From my reading of the debates and of what transpired at that time, I believe the fathers of confederation saw that there might be an evolution in this country and that, in the process of such evolution, undertakings, as they put it, which at that time were of local significance serving only a community or a province, might be extended to become something much greater and much wider. So they put in section 92 the words to which I have referred, which I believe have a bearing on this discussion. No longer is the farmer dependent upon an understanding with the local butcher for the marketing of his animals. He ships them great distances. In my own province they are shipped to

Moose Jaw, Saskatoon and Regina; and often the farmer ships them beyond the boundaries of his own province, to Winnipeg, east to Toronto, and so on. So anything which interferes with the operation of that industry, not only in individual localities but from one end of the country to the other, seriously embarrasses the farmer. We discovered that in 1947, when a dispute between these companies and their employees held up the marketing of stock which was ready for the market, and caused not only serious inconvenience to the agricultural community but serious loss to agricultural producers. In the same way and at the same time the consumers who were dependent upon this nation-wide industry were also greatly embarrassed by the shortage of meat which occurred during the strike. As for the men engaged in the industry, organized in a nation-wide union rather than in provincial units of a union, they were denied the wages upon which they depended for their livelihood, and the whole matter was such that it caused serious difficulty all across the country.

During the war years and subsequently, in 1945 and 1946, when similar disputes occurred, they could be negotiated and a settlement assisted under federal jurisdiction, but in 1947 there was no such federal authority. The strike was prolonged, and the packing house workers were compelled to negotiate in the various provinces. As a result the farmer lost, the worker lost, and the community suffered grave inconvenience. So I say this industry is no longer a matter of purely local interest. It is of nation-wide concern; and I believe this parliament should do as it did in the Hudson Bay Mining and Smelting Company some time ago—declare this an industry of national importance and therefore coming under the legislation to which I have just referred.

As I said a few moments ago, this is a matter of nation-wide concern; and if I can read the English language it seems clear that it would certainly fall under subparagraph (c) of subsection 10 of section 92, which declares:

> Such works as, although wholly situate within the province—

Then I omit the words I read previously:

> —declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

With our experience in 1945 and 1946, when the Department of Labour, acting under legislation passed by this parliament and powers granted by this parliament, had the right to assist in the negotiation and settlement of such disputes, so today in peacetime, if the same situation arises, because of the same national considerations dealing with a nation-wide industry, we believe the same good offices should be exercised by the federal authority.

I do not wish, Mr. Speaker, to prolong the debate. I merely rose to say that in our opinion and in the opinion of the employees organized in the packing house industry, in the interests of the agricultural community and the consumers of Canada generally who are, of course, vitally affected when a dispute arises in an industry of this nation-wide significance, we should adopt the amendment suggested in Bill No. 5. This would enable our Department of Labour to assist in negotiations which may be necessary from time to time between the employees and the owners of the meat packing industry, which we contend is of nation-wide concern and of nation-wide importance, and thus should be subject to nation-wide jurisdiction.

Mr. C. E. Johnston (Bow River): Mr. Speaker, before a vote is taken on this bill, I should like to say a word or two. It is not my intention to speak for long or to hold up the bill at all. It does seem to me that the bill is suggesting a change which would affect the provinces materially. So far as I am aware, none of the provinces have complained or asked for co-operation from the federal government in the management of its labour relations with the packing industry.

It is my view that this legislation does come within the purview of the provinces. Until such time as the provinces have made a request for dominion government assistance or co-operation in having this industry brought under the national labour code, I cannot see where benefits would flow from our interference with the relationship as it exists today. I believe the matter should remain as it is until the provinces make such a request. I am a little suspicious, Mr. Speaker, of centralizing any power of this character. I can see a great danger to labour and to the country generally in it. There is too much centralization at Ottawa now. For the reasons I have given, although I am not going further into them now, I shall have to vote against the bill.

Mr. Stanley Knowles (Winnipeg North Centre): I rise to speak for a few moments because of the argument advanced by the member for Bow River (Mr. Johnston). It is an argument that has been advanced by others who have taken part in this debate, namely, that there has been no formal request from the provinces for this particular change. It seems to me that argument is another example of waiting until after the horse is stolen before locking the barn door. The fact

of the matter is that, during the last serious dispute in the packing house industry, a number of provinces did request federal government assistance in conciliation. One of the difficulties at that time was that the provinces were not unanimous in asking the federal government to take over the matter, and this prevented effective action at the proper time. If we are going to use wisdom in the matter, surely that experience would lead us to make preparations for future disputes of this kind. It does seem to me that the arguments that have been put forward as to the nation-wide character of this industry and the argument advanced by my leader as to the interest in this matter on the part of consumers, workers in the packing house industry and our farmers who produce the livestock, make an affirmative vote by members of this house the part of wisdom.

At this time, I should like to deal with an argument advanced the other night by the hon. member for Inverness-Richmond (Mr. Carroll). The last time this bill was before the house the discussion hinged largely on the constitutional point. The hon. member for Inverness-Richmond even went so far as to contend there was a difference in value between section 92, 10 (a) and section 92, 10 (c) of the British North America Act. He argued that the federal parliament did not have as much power under section 92, 10 (c) as under section 92, 10 (a). As I have often had to remark, I am not a lawyer, but it does seem to me to be clear, even from such law as I have learned sitting in this house, that if this parliament has a power assigned to it by the British North America Act it has all the powers that flow therefrom. If this government is assigned the powers set out in section 92, 10 (c), which have been quoted a number of times, we have the powers that flow from it.

Parliament has used that power a number of times. Grain elevators have been declared works for the general advantage of Canada. A similar declaration was made with regard to the Beauharnois Light, Heat and Power Company. Two or three years ago a bill was passed in connection with the Quebec, North Shore and Labrador railway in which a clause was inserted making it a work for the general advantage of Canada. Reference has already been made during the course of this debate to the Hudson Bay Mining and Smelting Company whose property is astride the Manitoba-Saskatchewan boundary; its works were declared to be for the general advantage of Canada. In all of these cases the federal parliament has exercised its power as provided by the constitution. When members rise in this debate, as they have, and contend that this would be opening the door, they fail to remember that the door is already open. The suggestions of my leader have been carried out and there has been a recognition of the fact that times have changed since 1867. Some of the things the fathers of confederation did not know would come into existence are here today, and we have in some respects tried to keep up with the times.

Since this matter was up the last time, I was interested in discovering a reference to possible uses to be made of section 92, 10 (c) of the British North America Act, which is found in volume 2 of the report of the royal commission on dominion-provincial relations, generally known as the Rowell-Sirois report, at page 201. This section deals generally with the problem of railway and highway competition and the commissioners indicate the kind of use that might be made of section 92, 10 (c). I want to quote this paragraph:

> The situation may, however, not be permanent since main motor highways might possibly be brought under dominion jurisdiction under section 92, subsection 10, of the British North America Act, which provided that local works and undertakings wholly situate within a province may be declared by parliament to be for the general advantage of Canada or of two or more provinces. By the exercise of the declaratory power, parliament attained jurisdiction over many railways wholly situated within a province, and over grain elevators. While the term "works" awaits definite judicial definition, there would seem to be no reason why it would not cover highways of the type indicated. Thus, Hon. Mr. Meighen, while the proposed transport act was being considered by the senate standing committee, February 10, 1937, said: "It would not be unreasonable to declare that the trans-Canada highway was a work for the general advantage of Canada."

I quote that to indicate that it is recognized that the door is open wherever it is desirable or necessary to bring under federal jurisdiction undertakings that are of nation-wide importance.

I should like to mention another point in that connection, and that is that in the labour code itself the language in section 92, 10 (c) of the British North America Act is quoted. Then, we go one step further in the labour code, which is chapter 54 of the statutes of 1948, by this enactment in section 54:

> Part I of this act shall apply in respect of any corporation established to perform any function or duty on behalf of the government of Canada and in respect of employees of such corporation, except any such corporation, and the employees thereof, that the governor in council excludes from the provisions of part I.

I do not know what action has been taken under that section with regard to the Polymer Corporation at Sarnia, where we make synthetic rubber. But unless the governor in council has excepted it from the provisions of this act, it is a crown corporation and as such comes under the provisions of the national labour code.

Some hon. members have said that this bill would bring a number of small local plants under the provisions of the national labour code. Not so, because the bill proposed by my colleague the hon. member for Winnipeg North (Mr. Stewart) applies only in the case where a meat-packing firm operates in two or more provinces.

It has been a bit of a spectacle to some of us sitting in this chamber to hear these constant emotional appeals to the concept of provincial rights. This is a bill to protect the rights of Canadians in all the provinces; surely that is more important than the autonomous rights of the provinces as separate units. To some of us these sectional appeals hardly seem to square with the stirring speeches we have heard during the course of this very session urging us to recognize our status as Canadians and to establish the greatness of our Canadian nationhood. Here is a chance to protect the rights of the people in the provinces, in particular the rights that are guaranteed to them by the national labour code brought in by this government, if only we will take this step and bring this nation-wide industry under federal jurisdiction with regard to labour matters.

The house divided on the motion (Mr. Stewart, Winnipeg North), which was negatived on the following division:

YEAS

Messrs:

Coldwell
Gillis
Herridge
Jones
Knight
Knowles
MacInnis
Noseworthy
Stewart (Winnipeg North)
Wright—10.

NAYS

Messrs:

Anderson
Applewhaite
Arsenault
Ashbourne
Balcer
Bater
Beaudoin
Belzile
Benidickson
Bennett
Bertrand
Black (Cumberland)
Blackmore
Blair
Blanchette
Blue
Boisvert
Bonnier
Boucher
Bourget
Bradley
Brooks
Brown (Essex West)
Bruneau
Byrne
Campney
Cardiff
Carroll
Carter
Casselman
Catherwood
Cauchon
Cavers
Charlton
Chevrier
Cleaver
Cloutier
Corry
Cote (St. Johns-Iberville-Napierville)
Cote (Verdun-LaSalle)
Cournoyer
Courtemanche
Cruickshank
Dechene
Decore
Demers
Denis
Dewar
Dickey
Elderkin
Eudes
Eyre
Fair
Fauteux
Ferguson
Ferrie
Follwell
Fournier (Hull)
Fournier (Maisonneuve-Rosemont)
Fraser
Fulton
Gagnon
Gardiner
Garland
Gauthier (Lake St. John)
Gauthier (Sudbury)
Gauthier (Lapointe)
Gauthier (Portneuf)
George
Gibson (Comox-Alberni)
Gingras
Gingues
Goode
Gosselin
Gourd (Chapleau)
Graydon
Green
Gregg
Hansell
Harkness
Harris (Grey-Bruce)
Harrison
Hartt
Healy
Helme
Henderson
Henry
Hetland
Higgins
Hodgson
Hosking
Howe
Huffman
Hunter
James
Jeffery
Johnston
Kent
Kirk (Antigonish-Guysborough)
Kirk (Digby-Yarmouth)
Lafontaine
Laing
Langlois (Berthier-Maskinonge)
Langlois (Gaspé)
Lapalme
Lapointe
Larson
Leger
Lennard
Little
Low
Macdonald (Edmonton East)
MacDougall
MacKenzie
MacLean (Cape Breton North and Victoria)
Macnaughton
McCubbin
McCusker
McDonald (Parry Sound-Muskoka)
McGregor
McIlraith
McLean (Huron-Perth)
McWilliam
Major
Matthews
Maybank
Mayhew
Mitchell
Murray (Oxford)
Murray (Cariboo)
Mutch
Nixon
Picard
Pinard
Poulin
Pouliot
Proudfoot
Prudham
Quelch
Ratelle
Richard (Gloucester)
Richard (St. Maurice-Lafleche)
Richard (Ottawa East)
Roberge
Robertson
Rooney
Ross (Hamilton East)
St. Laurent
Shaw
Simmons
Sinclair
Sinnott
Smith (York North)
Stewart (Yorkton)
Stick
Stuart (Charlotte)
Studer
Thomas
Thomson
Tremblay
Tustin
Viau
Warren
Weaver
Weir
Welbourn
White (Hastings-Peterborough)
Whiteside
Whitman
Winkler
Winters
Wylie—172.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

SOCIAL SECURITY

REQUEST FOR FORMULATION OF NATIONAL PROGRAM

The house resumed from Monday, October 3, consideration of the motion of Mr. MacInnis:

That, in the opinion of this house, the government should seek the co-operation of the provinces for

the purpose of formulating a program of social security that will be national in scope, adequate in its provisions, and that will cover all citizens of Canada in every circumstance where the individual or the family is, for any reason, deprived of the opportunity of earning a living.

Mr. Speaker: Before hon. members proceed with this resolution I would ask them to consider whether its carriage would require the expenditure of money, and if it would require the expenditure of money whether it is in order at this time. Some time during the evening I shall make a ruling on the resolution and I should be glad now to hear any representations in that regard.

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, I realize that the motion is now the property of the house, but if a decision is to be made this evening I should think that it had better be made now. If there is to be further discussion I should like to have the opportunity to reply.

Mr. Speaker: I am prepared to make my ruling now but I thought it only fair to give hon. members an opportunity to express their views. However, if no hon. members desire to express their views I am prepared to give my ruling.

Mr. J. H. Blackmore (Lethbridge): Mr. Speaker, would it not be better to allow hon. members to give the matter a little thought before you give your decision? I would suggest that one or two hon. members be permitted to speak and then your ruling could be given.

Mr. Speaker: With respect to this resolution I must inform the house that after due reflection I have reached the conclusion that the proposed resolution is in the nature of an order which the government could not ignore and which could not be carried out without the expenditure of public moneys. Citation 437 of Beauchesne's Parliamentary Rules and Forms, third edition, 1943, and Bourinot's Parliamentary Procedure, fourth edition, page 407, both read in part as follows:

No principle is better understood than the constitutional obligation that rests upon the executive government, of alone initiating measures imposing charges upon the public exchequer.

It is customary for members to introduce resolutions that do not directly involve the expenditure of public money and have no operative effect but simply express an abstract opinion on a matter which may necessitate a future grant. I would refer to Canadian Journals, volume 58, page 100. However, in citation 453, page 171, of Beauchesne's third edition, it is clearly stated that:

The tendency has been in the Canadian House of Commons, for the past 25 years, to rule out all motions purporting to give the government a direc order to do a thing which cannot be done withou an expenditure of money.

In my opinion, the resolution which has been proposed does not simply express an abstract opinion. It seems clear that, if it carried, the government would be bound to comply with its terms and that therefore it is in the nature of a direct order and that the order could not be carried out without an expenditure of public moneys. This expenditure would be greater or less, depending on the manner in which the co-operation of the provinces was sought, but it is evident that some expenditure would be involved and that the expenditure might be considerable. Some modern instances of the tendency to rule out all motions of this character may be found in the Journals of the House of Commons, 1936, at page 52; and 1948, at page 225.

I have gone into this matter quite fully because the resolution was put on the order paper by the hon. member for Vancouver East (Mr. MacInnis). The hon. member has been in the house a long time. I know that he has given a great deal of attention to the rules, and I always give careful consideration to any representations he makes respecting order and procedure in the house. It is only fair that I should go into the matter fully. For the reasons which I have stated I rule that the resolution is out of order.

Mr. MacInnis: Mr. Speaker, I am not going to challenge your ruling nor shall I even discuss it. As a matter of fact, I am of the opinion that your point is well taken. I used the word "should", not in the sense of giving instructions to the government but in the sense in which it is sometimes used, that it would be desirable if such a thing were done. The word "should" is used in that sense quite often. I accept your ruling and if conditions are not changed before the next session, I shall propose this resolution in a more acceptable form.

CRIMINAL CODE

PORTRAYAL OF CRIMES BY PICTURES IN MAGAZINES, ETC., TENDING TO INDUCE VIOLENCE

The house resumed from Tuesday, October 4, consideration of the motion of Mr. Fulton for the second reading of Bill No. 10, to amend the Criminal Code (portrayal of crimes).

Hon. Alphonse Fournier (Minister of Public Works): In the absence of the Minister of Justice (Mr. Garson) may I suggest to the hon. member that he permit this bill to stand. The Minister of Justice is most interested i

the subject matter of the bill and the government would not like to see the debate concluded in his absence.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, I appreciate fully the fact that the Minister of Justice is unavoidably absent and quite naturally I would not wish to see a conclusion forced on this matter in his absence, perhaps in the form of a vote. However, this is the fourth Thursday in the session and in accordance with the rules Thursdays will no longer be private members' days and it may well be that this will be the last occasion, or one of the last, for discussion on this bill. I understand that there are other hon. members who would like to express their opinions on the bill and I wonder if the minister and the government would be agreeable to permitting the debate to continue with the assurance that no vote nor any other conclusion will be forced in the absence of the minister.

Mr. Fournier (Hull): When the speakers are through somebody could adjourn the debate to another day.

Mr. Fulton: That is the understanding.

Mr. G. K. Fraser (Peterborough West): Mr. Speaker, I take part in this debate because I feel that there are one or two points that have not been brought out, despite the fact that so far excellent reasons have been put forth by previous speakers for checking these crime comics to some extent and for passing Bill No. 10 to amend the Criminal Code. Some months ago I received a letter from the home and school council of Peterborough under date of March 19, 1949, which reads in part:

> The following is a report of the findings of a committee appointed by the Peterborough home and school council, to determine whether there are objectionable comic books on sale in Peterborough and if so, what might be done to inhibit their distribution.
>
> The committee visited several retail stores where comic books were sold and found a large variety on the stands of which about half were deemed harmful, in greater or less degree. According to the salesman, the retail proprietors do not order any specific comics. About once a week the distributor collects the slow moving copies for which he subsequently obtains credit and leaves a new supply.
>
> The committee then visited the two local distributing agencies and were courteously received by the managers. It was found that at least ten of the Detroit police department's list of objectionable comics were being distributed in Peterborough along with other crime comics.

There is more to the letter, but I will not read it all. It was sent to me by the corresponding secretary of the home and school council of the city of Peterborough. Here is a list, compiled by the detective bureau of the Detroit police department, of crime comics that are banned in that city. It is dated May 11, 1948. The introduction to the list reads:

> The following named comic books are, in the opinion of the censor bureau and the Wayne county prosecuting attorney, found to be totally objectionable in accordance with the laws and statutes of the state of Michigan . . .

Then they refer to the different sections of their statutes. Here is the list of the comics, of which, as I said before, ten are included in those sold in the city of Peterborough. The list reads:

> All True Comics; Blue Beetle; Boy Comics; Crime Comics; Crime Detective Comics; Crime Exposed Comics; Crime Fighter Comics; Crime Punishment Comics; Dynamic Comics; Exposed Crime Comics; Famous Crime Comics; Fight Comics; Gangster Comics; Headline Comics; Is this Tomorrow; International Crime Patrol; Jo-Jo Comics; Jumbo Comics; Justice Comics; Killers Comics; Lawbreakers Comics; Law Crime Comics; Murder Inc. Comics; Penalty Comics; Phantom Lady Comics; Prize Comics; Public Enemies; Real Clue Comics; Super Mystery Comics; True Crime Comics; Underworld Comics; Wanted Comics; Wings Comics; War Against Crime Comics, and Zoot Comics.

I have here further facts and figures as to these comics, and I believe this information was also compiled by the home and school council. The pamphlet is headed:

> Undesirable Newsstand Publications, Facts and Figures

It reads:

> 1. There are approximately 90 comic books, Canadian edition, on the market at this time (November, 1948).
>
> 2. These comics can be classified in various ways. The following has been found useful for all practical purposes:
>
> (1) crime; (2) general; (3) western; (4) phantasy; (5) animal.
>
> 3. Since the austerity tariff ban was imposed in November, 1947, the Canadian editions of the American comics have steadily increased. The printing only is done in Canada.
>
> 4. One-third of all magazines on the newsstands are comics.
>
> 5. Approximately sixty million copies of comics per month are published; each issue nets around $25,000 in advertising sales alone.
>
> 6. In Canada the sale of obscene books, literature, pictures, photographs or models, is controlled by section 207 of the Criminal Code. Convictions under this section have been difficult, if not impossible, to obtain, indicating that clarification or amendment of the section is required.

That is what the bill is seeking. The pamphlet continues:

> 7. Local action in British Columbia was attempted in 1940. Four magazines considered violating section 207 were presented to the attorney general with the request that they be banned. Advice from this department was that it would be impossible to secure a ban on these magazines in British Columbia since the act indicated the publishers would be the only offenders and they were in eastern Canada.
>
> 8. Local action has been enforced against the sale of crime comics in more than fifty cities in the United States.

There is more to the pamphlet, but I will not read it all. There is another point that

I do not think has been brought out yet, and I believe that it is an important one. The circular I have just read mentions the fact that most of these comics are printed and published in Canada, but they are concocted and drawn in the United States and other countries. Mats or plates are then shipped into Canada to be printed. I understand that there is no duty on those plates or mats entering Canada. There is absolutely no sales tax on the newsprint or paper on which these crime comics are printed.

Mr. Graydon: Our weekly newspapers have to pay it.

Mr. Fraser: Yes, and every daily newspaper in Canada has to pay the eight per cent sales tax.

Mr. Graydon: And some weeklies.

Mr. Fraser: There is only one weekly in Canada that does not pay the sales tax; that is the Toronto *Star Weekly*.

Mr. Howe: Quoting George McCullagh.

Mr. Fraser: No, I am not quoting George McCullagh because I made the statement from the platform over a week before George McCullagh made his broadcast.

Mr. Harris (Grey-Bruce): He is quoting you.

Mr. Fraser: Whether I am quoting him or he is quoting me, my facts and figures are right.

Mr. Mitchell: But you would not disagree with George.

Mr. Graydon: There are a lot of smaller weeklies, too.

Mr. Fraser: The Minister of Labour (Mr. Mitchell) cannot disagree with me because he knows what I say is right.

Mr. Mitchell: I did not say that. I said you do not disagree with George, the king maker.

Mr. Fraser: I am very glad that the Minister of Trade and Commerce interrupted me because it brought the fact much more vividly to the attention of the house than I could have done. If the Minister of Trade and Commerce will look up the legislation governing the Department of National Revenue and the customs department, he will see that not even a sales tax is paid on the ink they use to print these comics. That may also apply to the Toronto *Star Weekly*.

I feel that in all fairness to our children every member of the house should support the amendment. We all like comics. I like comics, but I like comics that are clean, and I do not like the trash you get in these dime crime comic books. I have seen them and I have read them. The hon. member for Macleod (Mr. Hansell) the other night gave many illustrations of these comics and crime books that would absolutely disgust anyone. I know it would disgust everyone in the house and it would disgust the average man and woman right across Canada. I say, give our children the funnies but give them clean ones.

Mr. H. P. Cavers (Lincoln): I do not intend to take a great deal of the time of the house this evening in dealing with Bill No. 10. There are some observations which I should like to make on the principle of the bill, with which I agree, and on the bill itself. The other evening the hon. member for Macleod (Mr. Hansell) told us that he was not speaking on behalf of his profession. I do not propose to speak on behalf of the honourable profession of which I am a member, but I have been asked to speak on the bill by the Kiwanis club of St. Catharines which passed a resolution a short time ago recommending to the government that some action should be taken as to these pamphlets described as crime comics.

To my mind they have no humorous features, and are the very antithesis of what they are supposed to be. I think we can start with the premise that crime comics are detrimental to youth and have a bad influence upon the moral standards of our young people. They depict groups of people, gangs of young boys, engaging in sadistic and criminal actions, and in my view that is a bad thing. In the province from which I come there has been a tendency for young hoodlums to band together and assault our citizens. Probably that is an outgrowth of this very suggestion to young minds. The best known of these groups is called the beanery gang; and I suggest that perhaps the influence of poor literature of this kind indulged in earlier years, has had a good deal to do with this tendency.

Our young people seem to have a great desire to read these publications, which certainly are not funny. A few years ago we had the serial type of story, with young men and women engaged in sports and entertaining pastimes. For example Chums and The Boys Own Annual. That sort of book does not seem to appeal to the young people these days. I am told they buy these comics and then form voluntary circulating libraries passing them from one to another. So no matter what supervision there may be in the home, it is difficult to stop such a practice. Certainly these comics add nothing to the cultural or educational advancement of our youth. To me it indicates something wrong in our educational system when these so called crime comics have such an appeal to our children. Some members of this house

have suggested to me that this may not be the proper way to deal with this matter, that it may be a question of home training. As I have said, however, owing to the secretive manner in which these comics are circulated it is very difficult for parents to do anything to prevent their children coming into possession of these magazines. I have a friend who carries on business as a druggist in the city from which I come. He told me that he conducted his own censorship. He found that many of the comics which came to his place of business were not fit to be circulated among young people. But I do not think we can depend upon individual censorship, because many people are more concerned with the profit derived from the sale of these magazines than with any sense of moral responsibility.

I am sure a step of this kind will not lack public support. As I have said, the Kiwanis club have taken up the matter in an international way; parent-teacher organizations have passed resolutions dealing with it, as have home and school associations and various governing church bodies. So I believe the matter deserves our attention. Here I would give credit to the newspapers of Canada for the high standard they have maintained in their censorship. I believe the funnies we read in the newspapers are of a very high order. Little criticism can be directed at those comics, and perhaps that is why the word "newspaper" is not mentioned in the bill.

For a moment I should like to refer to the bill itself, though I do not wish to be unduly critical of the draftsmanship. The bill refers to the printing, publishing, sale and distribution of any magazine, periodical or book. The word "magazine" indicates to me a publication containing sketches, stories and essays. Surely crime comics do not come within that definition. A "periodical" conveys to my mind a publication appearing at fixed intervals of more than one day, and I feel that crime comics do not come within the scope of that definition. The word "book" conveys to my mind a printed volume bound between two covers, and I do not think that would include crime comics either. I may be construing this bill rather strictly, but in view of the fact that if it is adopted it will be interpreted strictly in some other place, I believe we should scrutinize it carefully here. I am wondering whether these crime comics, as we understand them, are really covered by the expressions used in the bill. It may be that this is not so. I understand the hon. member for Kamloops (Mr. Fulton) did not draft the bill himself, but I would suggest that perhaps the words "or any other publication" after the word "book" might be included to cover any printed work offered for sale or distribution. I believe that would amply cover any situation that might arise.

Mr. Fraser: Does the hon. gentleman know that the government classes them as magazines? Otherwise they would not be exempt from the eight per cent sales tax on newsprint.

Mr. Cavers: I was not aware of that fact. I agree heartily with the principle of this bill, but it occurs to me that as it is drawn it might not fully cover the situation. I am sure all hon. members of this house, many of whom are heads of families, are in sympathy with the aims of this bill and believe that some action should be taken.

Mr. Angus MacInnis (Vancouver East): Mr. Speaker, like most of the members of the house, I suppose, I have received a number of letters and resolutions from organizations in my province urging that I support some measure, though not necessarily this one, to restrict the circulation of crime comics or whatever we choose to call the sort of literature under discussion. I am supporting the principle of the bill, although I am doubtful of its efficacy as it is now drafted. It leaves much to chance or to the option of those who are charged with the enforcement of the law. It may be honoured, as some sections of the Criminal Code are honoured, or it may be flouted as the sections dealing with lotteries and various forms of gambling are being flouted today. In my city of Vancouver bingo games are unlawful. I went into a store in this city this morning and saw a girl sitting at a desk openly selling bingo tickets. Surely, our criminal law should be applicable to the whole of Canada.

Mr. Graydon: She knows a good customer when she sees him.

Mr. Lennard: It is for charity.

Mr. MacInnis: The hon. member says it is for charity. It seems to me it is stretching the idea of charity rather far when buying a ticket on a game of chance is considered a contribution to charity. No one buys a ticket on a lottery, a game of chance or competition unless he expects to get more back than he pays for the ticket; that does not seem to me to be charity. Charity is what you give even to your own inconvenience, when it hurts it is not giving with the expectation of getting back more than you gave. I have heard all these arguments before. We are told that lotteries for worthy objects are all right. If the object is worthy, it should not have to depend on a lottery. If it is not worthy, it should not be supported at all.

Mr. Lennard: What has that to do with this bill?

Mr. MacInnis: It has everything to do with this bill because the bill suggests an amendment to the Criminal Code. I am suggesting that if one section of the Criminal Code is not enforced, perhaps this amended section will not be enforced either.

There is another point in connection with this matter that I want to mention. Before I deal with that, however, may I say that it is a rather saddening experience to pass a newsstand today and see the amount of trash offered for sale and the very small amount of literature that is worth while. I do not believe we can overcome the effects of crime comics merely by negative action. If the lives of our young people are to be improved, it will have to be by positive action. Something constructive for them to do will have to be found; something that will take up their time so that they will not have time for crime comics and other harmful diversions. When most of the members of this house were growing up there was not much time for comic papers. I suppose a good many of us grew up on the farm, where there was always work to do. If it did not do anything else, at least it kept us out of mischief. On that same basis, I suggest that, if we are going to improve the lives of our children and youth of today, we must put something in their lives to fill the emptiness that is the lot of so many.

It is evident that the member for Wentworth (Mr. Lennard) does not agree with that. It is his belief that crime can be suppressed by courts and laws.

Mr. Lennard: I said, "How are you going to do that with all these gift shops?"

Mr. MacInnis: If history has proven anything at all, it has proven that crime cannot be stopped in that way.

I have only one more remark to make before I sit down. I shall listen attentively to the constructive suggestions that will be made by the voluble member for Wentworth (Mr. Lennard). I think perhaps we can say too much about the harmfulness of crime comics. Perhaps we may be just advertising them. The other night when the member for Fort William (Mr. McIvor) and the member for Macleod (Mr. Hansell) were talking, I felt that clergymen should not talk about these things because they build such an alluring halo around them that it makes people think that resisting temptation is not worth while. In conclusion, Mr. Speaker, I wish to congratulate the member for Kamloops (Mr. Fulton) on the excellent job he made when presenting this bill. So far as its principle is concerned, I shall support it.

(Translation):

Mr. Pierre Gauthier (Portneuf): Mr. Speaker, I take the liberty of adding my voice, as a French-speaking member, to those who have taken part in this debate. I wish to congratulate the hon. member for Kamloops (Mr. Fulton) on the ideas he put forth in introducing this bill.

I agree that it might be better if parliament and the various legislatures united their efforts in order to encourage moral education in our families. We should have a purpose, a comprehensive program to prevent the lowering, at such an alarming rate, of the moral standards of our people, and especially of our youth, as we have witnessed during the past few years, more particularly since the war.

I come from the province of Quebec and while I was a member of the legislature of that province, it passed an act prohibiting children under sixteen years of age from going to the movies. I also remember that during the debate some members strongly opposed the measure. I still have clippings from newspapers published in other provinces, making fun of the province of Quebec, stating it was backward in passing such legislation.

Mr. Speaker, if children under sixteen were not allowed to go to the movies, it would become easier, all over the country, to preserve what is left of moral standards among the people and more particularly, among our youth.

I believe that fair and honest legislation based on principles of morality would improve family education and help parents do their duty more efficiently. It would also give them the necessary courage and strength of mind to forbid their children from going to the movies. In this way, they would not put wrong ideas in the heads of young people when they are at a critical stage of their development.

I appreciate that, once again, we may be called backward, but in the province of Quebec we have resolutely kept this legislation in operation. I think we were right in so doing since, by this bold step, the moral standards of our youth in the province of Quebec have been maintained at a high level.

Reading newspapers from other provinces, I notice that juvenile delinquency is lower in the province of Quebec. I do not wish to disparage other provinces, but I have visited many of them and attended a moving picture

show where twelve-year old children were driven almost to a frenzy on seeing and hearing a film which had to do with underworld characters and gangsters. If we continue to let children improve upon what they see on the screen and what they read in crime comics, written in a gibberish language which they do not understand perfectly, there will certainly be a lowering of the moral standard among young people. If nothing is done to help parents in the discharge of their duties, we shall have only ourselves to blame for not having done our duty in this Canadian parliament.

The hon. member for Kamloops deserves commendation for the ideas he has voiced in this house. We should launch a well-organized campaign to remove the cause of juvenile delinquency and take away from our young people those things which they should not have in their early years.

(*Text*):

Mr. T. H. Goode (Burnaby-Richmond): May I, Mr. Speaker, perhaps add a little bit of practical experience to this debate, inasmuch as I have just left a school board in British Columbia and am now an active member of the parent-teacher association. I do not think it is the attitude of the parent-teacher association to condemn every child who reads crime comics and every mother and father of such a child; because it is my experience that a child only reflects the ability of that mother and father to take care of their home. I do not believe that crime magazines will ever hurt the child whose mother and father take an intelligent view of these comics, because if the mother and father handle the situation properly, as I handle it in my home, I do not think any child will come to any harm through them. They are not a good thing, and we know that fact. But that is not the idea.

Through no fault of their own, perhaps, there are some kiddies who have come into the juvenile courts; and I have been able to sit in those courts with the permission of certain law enforcement officers. I have found that because the mothers and fathers did not take the proper interest in these children these so-called crime comics have affected the lives of these young people. In every case where crime comics have been mentioned in the juvenile court, I find that it has usually been the case that the mother and father did not take enough interest in their children to stop them from using these books.

The other day I went into one of the stores in Ottawa to see just how bad the situation was here. In the store 46 different kinds of this trash were offered for sale. This is the offal of the magazine trade. No one should have to buy it. No one should be able to buy it. But I find that, unless some of these magazine stands buy these books, they cannot buy the national magazines that they need to keep going. Within the last two or three days I have been told that it is also true —and it is true in British Columbia—that, unless the magazine dealers here handle these magazines to the extent of a certain percentage per month, they cannot buy the magazines from which they make their money to pay their fuel and rent bills. These are not the so-called "crime does not pay" magazines; I find they include *Crime and Punishment*, and *Crime of Women*. In this are depicted women of ill repute standing in rather suggestive attitudes. That is a fine model for our young people to look at! There are *Women Outlaws* and *True Mystery*. This latter is the most filthy book that I have ever seen on a magazine stand.

An hon. Member: What is in it?

Mr. Goode: The hon. member can read it after I am through with it. But for young ladies and young gentlemen to read this type of magazine is pitiful in a civilized country. I believe the principle of the bill introduced by the hon. member for Kamloops (Mr. Fulton) is good. I believe its intent is good. I do not know that this bill can be sustained in law. I would have to take advice from the Minister of Justice (Mr. Garson) on that point. But if there is anything I can do to suggest to the Minister of Justice that some type of bill be put through so that the law can be made conclusive and so that our provincial attorneys general can be successful in getting convictions in these cases, then I will say for myself and for every mother and father in this country: Thank God.

Mr. Rodney Adamson (York West): There is just one other angle of this matter, Mr. Speaker, that I should like to touch on briefly. I think the hon. member for Burnaby-Richmond (Mr. Goode) has just made an excellent point for the support of the bill when he said, from having had experience in juvenile courts, that a great deal of the juvenile delinquency that he saw was caused by lack of discipline or family life or security in the home. Then the crime comic got in and did its work. Although he may not have intended it as such, I think that is a point that reinforces the argument of my friend the hon. member for Kamloops (Mr. Fulton).

For a time I had the privilege of being a member of the citizens committee in Toronto with regard to what is known as the beanery gang. I do not think the hon. member for Lincoln (Mr. Cavers) is quite correct in saying that the beanery gang was not a gang from a certain district in the city of Toronto. In this particular I want to give a great deal of credit to the Rev. Gordon Domm of Bathurst street United church for taking these young people off the streets of the district, opening the basement of his church to them, and doing a great deal of rehabilitation work. I do not think that sufficient appreciation has ever been shown of the work that he and his committee have done. There is one remarkable aspect of this matter of juvenile delinquency and the extraordinary variety of anti-social behaviour that is going on today. It is a wild and extraordinarily imaginative type, caused in part by these crime magazines but also in part by the daily press. When some strange and violent incidents of anti-social behaviour took place in Toronto, it was found that the daily press of Toronto played them up—I do not intend to mention the incidents, but they have occurred from week to week—with the names, the description, the location and all the rest of it. That practice made heroes of these young delinquents who committed these peculiar manifestations of anti-social behaviour. I would rather call them that than crimes, although they are crimes.

When this was publicized—and it was particularly so in groups and gangs—people would say, "Oh, well, look what they did over there. They have done this particular thing." That gave the incentive for another group to go and do some other even worse act in another part of the city. This cannot be anything but a plea to the daily press, when these anti-social incidents occur, when these peculiar acts of sadism and violence that are all too common today in Canada occur, not to play up the participants as heroes. I know that they have tremendous news value. I know that the newspapers depend on the sale of their papers, and the circulation depends on news value and news interest in the papers; but I do plead with the daily press and the weekly press that when these extraordinary things occur they do not give them publicity, because it merely sets the pattern for others to try to emulate.

I know that it is asking a lot of the press. It is something that they can only do voluntarily. I am speaking as a member of the committee on the beanery gang, and I know that when the press stopped playing up the delinquent actions in Toronto the concentration of members gradually decreased. It is a matter of example, and if the daily press will display restraint in emphasizing the bad examples I am sure that a great deal of good can be done.

Mr. R. R. Knight (Saskatoon): I think that almost everything that can be said has been said on this subject, but there is one thing that we perhaps should have, namely, statistics about comic strips as to what extent they are read, and to what extent their distribution is big business, because the fact that it is big business is one of the problems we find facing us. Such figures as I shall use are taken from a brief presented to the Saskatchewan library advisory council in 1946 by one Mrs. J. R. Bothwell, provincial librarian at Regina, Sask. The problem of controlling the circulation of undesirable literature forms the subject matter of a paragraph, the beginning of which I shall read:

> Before discussing suggestions for controlling the circulation of undesirable magazines, it is well to obtain some idea of the number of readers patronizing them. Unfortunately figures are not available to show the circulation of comics "pulps," or other classes of undesirable periodicals either in Saskatchewan or Canada.

The next paragraph which is of interest is this. It is taken from the Wilson Library Bulletin of October, 1946, and is entitled "Magazine Best Sellers."

> The analysis showed comic books as a group topped all other types of magazines with a paid monthly circulation of 29,661,000.

Mr. Fulton: Is that in Canada?

Mr. Knight: These are figures for the United States. I explained that the figures were not available in Canada. These are corresponding figures for the United States. Perhaps I neglected to mention that. I continue:

> It is estimated that each copy has three to five readers, so that the monthly readership of the American comic magazines would be in the neighbourhood of 100,000,000.
>
> Fortune magazine has estimated that the comic book industry has an annual turnover of $18 million.
>
> The question of which age, sex and income groups are most addicted to the various forms of undesirable literature is a difficult one to answer. A recent survey by the Market Research Company in the United States indicated that the following proportions of each age group read comics regularly.

Age Group	Male Per Cent	Female Per Cent	Copies Read
6-11 years	95	91	(12-13 a month)
12-17 years	87	81	(12-13 a month)
18-30 years	41	28	(7 - 8 a month)
31 years and on	16	12	(6 a month)

It will be noticed as the age increases the number grows less. I am not going to comment on this myself. I have a large file on censorship, and it is one of my favourite topics and one on which I could speak at

great length. I do not think the question of censorship really enters into this debate. This particular bill does not call for censorship as such. As I understand it, it asks that the circulation of a certain type of book be made illegal, and then it will be left to someone to originate court action. If that court action were taken and punishment were handed out to the people who sell these magazines, it is presumed that it would be a deterrent to people of a like class. I understand that that is the purpose of the bill. Personally I have not made up my mind whether I am in favour of it or not. It is a tremendously difficult problem. Whether you are thinking of censorship or not, you are making the judge and jury into censors. The question is whether the judge and jury of twelve honest men and true are competent to carry out the censorship. I do not know. If they cannot do any better than the department of customs and excise I do not think we had better start, because, as I said on a previous occasion, I have no confidence in that particular body to carry out censorship. If we are to have censorship then it will have to be an efficient censorship. It would be a more efficient censorship system if it were done by people who had the necessary background, education, experience and training, and we would have much more confidence in their competence to perform such censorship. This brief contains the opinion of one who has made some study of this matter. I refer to Mr. Sandwell of Toronto *Saturday Night*. Like myself, he is opposed to censorship generally, but listen to what he has to say. Mr. Sandwell expresses himself as "strongly opposed to censorship except for the juvenile who is incapable of performing the act of judgment necessary to choose between good and evil ideas." I mentioned this the other day in a short speech I made on a kindred subject. We are dealing with two classes of people, people whose characters are formed, and people who are vulnerable, in that they are exposed to outside environment, without having much judgment in choosing what part of that environment they wish to make their own. I agree with the hon. member for Vancouver East (Mr. MacInnis), who is in favour of the positive approach to this problem. The hon. member for Burnaby-Richmond (Mr. Goode) has argued that if the home were right, if the proper guidance were given, these bad effects would be overcome. I would go perhaps even further and say that the child of a certain age should have some experience in these things, but under proper guidance. But there again the parents, like the judge and jury to whom I referred, would have to have some competence in the matter.

I am afraid that many parents in this country adopt the wrong attitude toward these comics. I have found as a matter of experience that many of them simply dismiss the whole question of literature for children of 7 to 14 years of age by assuming that, because they have the comics, they do not need anything more.

I repeat that in this country and on this North American continent there is a tremendous dearth of literature for young people. In this connection we owe a debt, but of the wrong sort, to our United States friends. Our imitation of them is a part of the inferiority complex which Canada has developed. The result is that we have not gone into the field of literature for youth or indeed into any field of literature with outstanding success. It is certainly true that there is nothing in this country for the young people to read as compared with what is available to young people in other countries, particularly in Great Britain. In that country there is a great choice of reading matter for young people as well as for adults.

I suggest that instead of censorship or court action we institute a counter-attack by substituting things that are good for things that are evil. There should be a cultivation of taste for good literature while people are still young. Let us give our young people better literature, but if they have to read any of these salacious books let them be read under the guidance of their parents or people who can give proper advice in the matter. In this connection I should like to read again from this brief:

> A more direct but possibly more workable approach to the problem than outright censorship is the counter-attack. Many educators and librarians believe that an aggressive program to make alternative literature available to the reading public is a solution to the problem. They suggest that the undesirable literature be analysed to discover what elements in it appeal to people and that efforts be made to supply these elements in a more wholesome form.

I think that is common sense. While I am on the question of children's books I should like to say a word about the expense connected with obtaining these books. One reason why comic books are tolerated by many parents is the fact that they are so cheap. The comic strips appear in the daily or weekly newspapers and those particular pages are thrown to the children, somewhat as a bone is thrown to a dog. Children's books are quite expensive, as is anything that can claim the name of good literature. If

children's books could be brought out in paper-bound editions I believe they would be more attractive and more would be read.

As a degree of confirmation of what the hon. member for Burnaby-Richmond said, I should like to read the final comment in this brief. I consider this brief to be a valuable piece of work and I recommend it to the consideration of hon. members. I congratulate the person who prepared the brief upon its worth. This final paragraph reads:

> Immunization against undesirable literature:
> A final proposal for protecting children against the evil influence present in much of the literature available today is an immunization program. Most psychologists think it bad to prohibit children the reading of certain books since forbidden fruit always is more attractive. But they believe that if children are provided with a normal home, sufficient outlets for their energy and a full and well-rounded life of work and play, they will not suffer harm from whatever undesirable literature they come in contact with, nor will they spend an excessive amount of time on it. While this is probably sound psychology, it depends on a long-term program of parent education and the development of adequate educational and recreational opportunities for all.

It then goes on to say something about the British Columbia legislative committee which investigated this matter some time ago, and I read:

> This was the chief solution proposed by the British Columbia legislative committee which investigated the question last session and recommended that the provincial government "lend every possible encouragement to the establishment and development of community centres, and the greater use of school buildings for recreational, physical education, and other leisure-time purposes under the leadership of trained personnel."

I have no apology for offering this brief for the consideration of the house, because I think it contains many things which are fundamental to this particular discussion. As far as my own decision in the matter is concerned, I repeat what I said at the beginning, that I am not prepared to make a decision at the moment. This is one of those things about which so much can be said on both sides that one has difficulty in arriving at a decision.

This comic book and comic strip business originated in the United States. I remember the first comic strip I saw as a little boy of twelve years. I do not know whether hon. members of my age will remember it. It certainly appealed to me because I had never seen anything like it before. I refer to the time when, while on a trip to the United States, I saw the Buster Brown comic strip. May I say that the Buster Browns have become rather hardened young criminals since those days.

As I say, this is an American institution. We call these things comics; but, as has been pointed out tonight, that is a misnomer because there is nothing comic about them I do not think the children would be interested in these things if they were not almost forced to read them because of a lack of other literature.

I think they really appeal more to the adolescent, moronic type of mind, that type of mind that would get some satisfaction or perhaps some bolstering up of an inferiority complex from them, and as we know, the inferiority complex is one of the greatest factors in the make-up of criminals. The fact that we copy these things is an illustration of something I said the other day. In the matter of literature we seem to be copiers rather than originators. The sooner we change that attitude the better it will be not only for the adults but for our children

Mr. Solon E. Low (Peace River): Mr. Speaker, I would not like this occasion to pass without expressing my congratulations to the hon. member for Kamloops upon having brought in this bill and just speaking briefly on behalf of the Social Credit group with reference to the principle. Let me assure the members of the house, and particularly the hon. member for Kamloops (Mr. Fulton), that we feel he has done a service to the country by introducing this bill. Whether or not the provisions of the bill can be adequately enforced is something on which I am not an expert, but the problem that is envisioned by the sponsor of the bill is not a new one. Society has been beset for many years by the problem of salacious literature. In my younger days the appeal was mainly confined to grown-ups, but the emphasis now seems to have shifted to the younger people. I suppose that is because they have a lot more money to spend than I had when I was a boy.

I am not entirely unacquainted with this problem, which is now becoming much more intensified. I speak now as one who has had experience with it as minister of education of one of our provinces where we tried to take the problem seriously and to do something about it. I speak also as a parent who has tried to raise seven children and to keep them free from the influence of the type of periodical mentioned in the bill. I speak also as a member of a home and school association. I think that no matter how good our homes may be, no matter what kind of positive approach we take, we must remember that it is usually only for a comparatively small fraction of the day that our children are at home. Although we may be very careful to select and help our children select the kind of literature they bring into the home, we cannot very well control the kind of periodical round which little knots of children will gather on the street outside the home.

I feel that every effort must be made in a positive way to substitute the kind of literature and periodicals that will be uplifting, educational and beneficial to our youth. I do not think there is such a dearth of that kind of periodical as has been represented tonight. As a parent I have been concerned about helping my children to get the proper kind of literature and periodicals, and to this day I have not found it impossible to keep them pretty well supplied with good reading material.

Let me refer you to some just offhand. For girls it is possible today to purchase a book that comes out once or twice a month called "Calling All Girls". It is a very high type of publication and one that fills a great need. There is a companion to it entitled "Calling All Boys" that I can recommend for anybody's boys. They get pleasure out of reading those things. They find that they fill their needs to a certain degree. Then there are so many of the splendid old books that we all read as young people, and that are still just as vital to the boys and girls of this day as they were in our time. I wonder if we are not neglecting to supply them in our home libraries or to help our boys and girls to know where they can lay their hands on them when they want them. I know for certain that in the schools every effort is made to supply splendid libraries of such books for the boys and girls in the various grades.

Therefore I cannot believe that there is a dearth of good material for boys and girls to read. That was the conclusion that I reached when I was studying this particular problem as minister of education in the Alberta government. On the other hand, tons of these comic books appear on the newsstands dressed in the brightest colours and with the most appealing covers. Of course, that overbalances whatever influence there may be in the home and the school along the positive line of approach.

One of the main difficulties today is that practically any place that sells ice cream cones or all-day suckers will sell this trash to try to make a living. Any time a child goes in to buy an ice cream cone or an all-day sucker he is faced with the alternative of these very compelling pictures and colours, and very often a lot of good salesmanship in displaying them.

Mr. Fulton: A lot of propaganda.

Mr. Low: A lot of propaganda, as the hon. member for Kamloops suggests. The best teaching in the world in the home, the wisest guidance in the home, cannot always protect youngsters when they are subjected to such alluring things every time they go to a store. With all deference, I suggest to the hon. member for Saskatoon (Mr. Knight) that, while the positive approach is excellent and we must use it, at the same time we must protect our boys and girls from the sight of these things as much as we possibly can. That is why I say we are much in favour of the principle of the bill. We appeal to the Minister of Justice (Mr. Garson) and the government to take speedy and effective action to see to it that this sort of temptation and evil is placed as far as possible beyond the reach of our children.

I think that as parents and public men we can assist a great deal by watchfulness and alertness in seeing that whenever these things do appear we are ready to take action on our own and to discourage the publication and sale of such literature.

An hon. Member: Trash.

Mr. Low: Trash; that is a good name for it. I do not want to dignify it by calling it literature. It seems to me that there is one other point that ought to be stressed further. I was pleased to hear the hon. member for York West (Mr. Adamson) appeal to the newspapers about the whole problem. I think there is a responsibility on the part of the newspapers of the country not to overplay the gruesome and morbid details of crimes that are committed in reality. Our boys and girls cannot help reading the newspapers that come into our homes. Surely we ought not to feel that our journals and our newspapers are not fit for our boys and girls to read. I think we ought to encourage our boys and girls to read the papers, but any time a journalist writes up one of these crimes committed in society I think he should not play up the lewd and sensational in order to appeal to the morbid curiosity of readers. That in itself has a deteriorating effect on the mind of the child, and a child is quite likely to be tempted to try some of the things he hears about such as skinning victims alive from their necks up or down.

I saw a portrayal of that kind of thing in one of our daily newspapers. They are only trying to play up sensationalism. I add my voice to that of the hon. member for York West in appealing to the newspapers to try to play down that kind of thing as much as possible in order that our boys and girls will have something clean and decent to read in our daily and weekly newspapers.

I have come to the conclusion that we must attack this evil on all fronts. There is the positive approach, which the hon. member for Saskatoon (Mr. Knight) has mentioned, and with which I agree. But it is not enough, just as it is not enough to try to

educate our people against the evils of over-indulgence in liquor. We have to do something by way of legal control in order to keep as many as possible of our younger people away from it at least until they have reached the age of self-control and restraint. So I say it must be a double-barrelled approach; and for that reason I am congratulating the hon. member for Kamloops (Mr. Fulton) on his courage and responsible citizenship in bringing forward this bill, which we as a group intend to support.

Mr. J. A. Byrne (Kootenay East): It was not my intention this evening, Mr. Speaker, to add my voice to what seems to be the unanimous opinion of the house, but during the last few minutes of the debate a different note seems to have entered the discussion, a suggestion that our present system does not provide sufficient entertainment for our children and that this is probably why they carry on the reading of these crime comics in a quiet way, while not under the supervision of their parents.

That is an opinion with which I disagree wholeheartedly, and I am going to try to prove that such is not the case. I shall take as an example one child whom I know intimately; I refer to my daughter, who is ten years of age, and who has a number of companions of the same age. In the town in which I live I think it would be safe to say that from the beginning ninety to ninety-five per cent of the youngsters have had all the toys they could possibly play with, going from three-wheel tricycles until they reach high school and ride bicycles. They have had at their disposal swimming pools in the summer time and skating rinks in the winter; they have gone skiing and have had every other conceivable type of pastime. If they should be given any more entertainment you would have to take them by the hand and force them to play.

However, I have found it necessary to maintain a certain degree of censorship on the comic books that come into our home by the trading method. A child buys a book for ten cents; in a month he may buy twenty books, and all are circulated. The majority of them are entertaining and easy to read, but we have encountered some that certainly should not be seen by children of that age. The minds of these children are naturally wholesome, but if that type of material is continually shown them they are bound to read it some time or other, even if they have the strictest supervision in their homes. It is very unlikely that they would commit any of these crimes, but certainly it is good neither for their souls nor for their bodies to have this sort of stuff presented to them. Whatever our supervision may be, if a trap is set on the lawn our children are very likely to fall into it. I believe the people who are setting these traps should be either put behind bars or given some other severe penalty.

Mr. J. W. Noseworthy (York South): I rise to support this bill, Mr. Speaker, and to congratulate the hon. member for Kamloops (Mr. Fulton) on introducing it. I sincerely hope it does not meet the fate of the other private members' bills that have been introduced so far this session. Not being a lawyer, I do not know whether some bright legal light on the government side will find that this bill interferes with property and civil rights, or with other provincial rights. It may even be found that the federal government will have to spend some money to enforce this legislation when it becomes law, and it may be ruled out of order on that ground. Seriously, however, I hope it will receive the careful consideration of every hon. member of the house, that it will be considered on its merits, and that the government, if it is not prepared to accept the bill, at least will not do anything to bring about its defeat.

As has been stated already, I recognize that legislation in itself is no substitute for education, for good libraries or good literature. It is no substitute for healthful recreation or for good home training. I agree with everything that has been said with regard to the positive approach to this question. I think much more can and should be done by way of a positive approach; but the fact is that in a great many homes it is just about impossible for a child to get the sort of training some hon. members have mentioned, to which no doubt children are entitled. We have to accept conditions as they are. We do not have good libraries everywhere. There is a dearth of good reading material for boys and girls of the adolescent age.

I think we should bear in mind that every church organization, every educational institution, every cultural organization and as a matter of fact every organization interested in building good citizens is concerned with this problem; and I am quite sure this legislation will have the support of all those groups. While we may accept the fact that legislation is not a substitute for all those other things I have mentioned, while we may accept the fact that legislation without enforcement is useless or worse than useless, still I see no good reason why we should deplore the possibility of obtaining enforcement of this legislation. I am quite sure public opinion against crime comics in this country is sufficient to warrant the application and enforcement of such legislation as we have before us this evening.

I believe the question we must keep in mind is this. Why should we permit a few publishers or distributors of this kind of literature to go on day in and day out, undoing and undermining the very thing the churches, educational institutions and cultural organizations of this country are trying to build? Why is it necessary for us to permit these papers to be sold just for the sake of the profit there is in this business? Surely we can, by legislation, lend our support to those who are fighting this battle. We can do that by accepting this bill.

On motion of Mr. Tustin the debate was adjourned.

CANADIAN WHEAT BOARD ACT

AMENDMENT RESPECTING PAYMENTS TO PRODUCERS IN CHURCHILL AREA

Mr. P. E. Wright (Melfort) moved the second reading of Bill No. 13, to amend the Canadian Wheat Board Act, 1935.

He said: Mr. Speaker, in introducing this bill there are two things I want to say at the outset. First, I hope that it does not give rise to a debate on the merits or demerits of the port of Churchill so far as the physical capacities of that port are concerned. That is not my purpose in introducing the bill. There are many difficulties in marketing grain through the port of Churchill other than any physical handicaps that may exist at that port. I have introduced this bill for the purpose of removing what I, at least, believe to be an injustice existing in the financial arrangements for marketing wheat through that port.

When the port of Churchill was first talked about many years ago, the grain growers of western Canada were asking through their organizations for a railroad and a port at that point. The dominion government allotted certain lands in western Canada for the purpose of building that railroad. I believe some 14 million acres of land was sold for approximately $42 million. According to the minister of transport who spoke in this house on March 31, 1945 the Hudson Bay railway itself cost $32,500,000; the terminal works at Churchill $13 million; the terminal works at Nelson, which were afterwards abandoned, $6 million: a total of fifty-one and one-half million. This money was western money set aside out of the sale of western land for the development of the port of Churchill. Naturally, the farmers in western Canada thought they would derive certain benefits from that port when it came into operation.

The producers of wheat in western Canada have received very little benefit from the port. Any benefit there may have been from shipping wheat through Churchill has largely gone to the consumer rather than to the producer. I have before me a summary of the cost of shipping grain through the port of Churchill as compared with the various other routes. This table was compiled by the Hudson Bay Route Association, and I believe it is correct. For the great lakes route: first via lake and rail, it costs 58·037 cents per bushel; via all water to transfer points, 56·671 cents per bushel; via lake and rail to Halifax and Saint John, 59·605 cents per bushel. To ship wheat through Vancouver to England it costs 59·65 cents; through Churchill the cost is only 45·95 cents per bushel, leaving a favourable balance so far as Churchill is concerned of anywhere from ten to fourteen cents a bushel.

Up to date the wheat growers of western Canada have received no benefit from that lower rate. I will admit that this bill will not give that to us, but it will go part of the way. It is only a step. Whether or not the bill is accepted by the government depends perhaps on the government's intention with regard to the port of Churchill. I put on the order paper a question which was answered on September 29. The purpose of the question was to try to find out what the government's intention might be with regard to the port of Churchill and the marketing of wheat through that port under the world wheat agreement. Until now, we have shipped wheat through the port of Churchill under the British wheat agreement and sold it at the same price as we received at Fort William or Port Arthur. I asked the following question:

> Has the wheat board established a price for wheat at Churchill under the world wheat agreement?

The answer was:

> No, but question was raised and matter is receiving attention.

I do not know whether it has received that attention and the government has arrived at any decision. Perhaps the minister will give us some information on that when he speaks on this bill. Until some consideration is given with respect to the price at Churchill as compared with Port Arthur and Fort William, the people in western Canada who allocated some 14 million acres of land and spent approximately $42 million for the building of that railway will not derive any benefit from it.

This bill has been introduced for the purpose of eliminating what I believe to be an injustice. In 1940 when the Wheat Board Act was amended the word "Vancouver" was added wherever the words "Port Arthur and Fort William" appeared. Before that amendment, the people living in the western part of Saskatchewan and the province of Alberta were paid for their wheat on the basis of

the Port Arthur-Fort William price less the freight from the point of delivery. After that amendment to the wheat board act those people whose freight rate to Vancouver was less than the freight rate to Port Arthur or Fort William were paid for their wheat on the basis of the Vancouver freight rate.

During the war, the wheat board took delivery of that wheat and, although little wheat was shipped through the port of Vancouver and most of it was taken to Port Arthur and Fort William, the difference between the freight rate to Vancouver and the freight rate to Port Arthur-Fort William was paid out of the general funds of the board. It was an equalization measure and, so far as the remainder of the growers were concerned, the freight rate was equalized. The people who live in northern Saskatchewan and northern Manitoba find the freight rate to the port of Churchill is lower than the rate to Port Arthur-Fort William. It is my belief that those people should receive the benefit of that lower rate structure, and that is the reason for the introduction of this bill.

There is not as great a differential in the freight rate to Churchill as there is in the freight rate to Vancouver. As a matter of fact, if we take Hudson Bay junction as being the point at which wheat from northern Saskatchewan will go either to Port Arthur or Churchill, we find the freight rate from Hudson Bay junction to Port Arthur is 21 cents per hundred. The freight rate to Churchill is 18 cents per hundred. This leaves a difference of 3 cents that those people would receive in the form of an increased price for wheat because of that lower rate to Churchill. If the freight rate were equalized, however, on the basis of miles, the differential would be greater.

The mileage from Hudson Bay junction to Churchill is 598·6 miles and to Fort William and Port Arthur it is 816·5 miles. Worked out on an equalized mileage rate this would mean that the freight rate from Hudson Bay junction to Port Arthur or Fort William should be 15·6 cents per hundred rather than the 18 cents. Again, if the railroad construction program which should be carried out in northern Saskatchewan were completed, and if those roads which were started towards the port of Churchill or towards The Pas in Manitoba to connect up with the Hudson Bay railway were completed—that is, from Nipawin north, from Carrot River and Arborfield north to The Pas—that would reduce the mileage again so that there would be a reasonable advantage in the freight rate to Churchill as compared with the freight rate to Port Arthur and Fort William. We in that part of Saskatchewan feel that, if the people in western Saskatchewan and Alberta are to receive the benefit of the lower freight rate to Vancouver, we should be entitled to the lower freight rate to Churchill.

The minister may say that that 3 cents that is there at the present time does not amount to anything, and that the diversion charge that is made by the grain company eats up the advantage that there is in the freight rate. That argument is right at the present time. Personally I think it is time that we did something about these diversion charges. For instance, I see no reason why companies handling the farmers' grain, especially where they are shipping it to a point where they have no terminal elevators of their own, should charge 1½ cents a bushel for diverting that grain to that particular point. That is what happens at the present time. Whatever justice there may be in the elevator companies making this diversion charge where the wheat is going to Port Arthur and Fort William where they have a terminal of their own, in which this wheat could be placed, when the wheat is placed in a terminal elevator other than their own and a diversion charge of 1½ cents a bushel is made, I certainly cannot see any justice in that. As a matter of fact, I do not think they should make that charge at all. I do not think it is justified. At the present time that diversion charge is there.

But even though that diversion charge is there, if this bill were to pass it would mean —as it has been interpreted to me, at least— that the favourable freight rate would be paid on all grain grown in that area even though it did not go to Churchill, and that we would get paid for our wheat on the basis of the more favourable freight rate to Churchill even though that grain went to Port Arthur or Fort William. That is what is happening in western Saskatchewan, and that is what is happening in Alberta where they are paid on the basis of the Vancouver freight rate structure there.

There is just one point which I hope the minister will clear up, and it is this. If it is the government's intention to make a different price on wheat out of Churchill in respect of the world wheat agreement, this bill might mean that the advantage which might be gained through that price could not be passed back to the farmers living in the favourable freight rate area adjacent to the port of Churchill. I do not want the bill to have that effect. That is not the intention of the bill. The intention of the bill is simply to provide that those people in the freight areas favourable to Churchill should have the same privileges as are enjoyed by those people in western Saskatchewan and Alberta with respect to the port of Vancouver.

It has been said that the port of Churchill can never handle a great deal of grain. To date I do not think there has been any year in which the port has handled much over 5 million bushels; in fact, it has only been for two or three years that 5 million bushels have been handled. But it is possible for the port to handle a great deal more, and I believe it will do so. Even the Minister of Trade and Commerce (Mr. Howe) has stated that. I just want to quote from *Hansard* of the second session of 1945, volume 1, page 1109, where the minister is reported as having stated:

> In spite of the short season I think it may be possible to reach the objective of those who developed the route, which was a movement of 20,000,000 bushels of grain in the season. That does not sound much when compared with the movement through Port Arthur and Fort William or through Vancouver, but 20,000,000 bushels is a considerable movement for any port. Few ports on the continent have larger movements than that. Therefore I am not suggesting that the outlook for Churchill is hopeless; far from it. I feel that in post-war years the port will develop as far as its physical limitations will permit, and I can assure the house that the government will make every effort to see that that development is pressed actively and vigorously.

I submit that the passing of this bill would be one method of developing that port. It would mean that people living adjacent to the port would get the same advantage out of it. That is what they spent their money for. That is what the route was developed for, namely, to give some advantage to the people living in the west and more particularly, I believe, to those people in northern Manitoba and northern Saskatchewan who live adjacent to the port.

Right Hon. C. D. Howe (Minister of Trade and Commerce): I think, Mr. Speaker, that perhaps I should say a few words on this bill at the outset so that the debate may be kept within closer bounds than would otherwise be the case. I will say at once that no one is more anxious than I am to see the port of Churchill, and particularly the grain elevator in Churchill, succeed. I have a personal interest aside from the fact that I was minister of transport for a considerable period. Prior to that, when I was a private citizen living a happy life as a consulting engineer, I was responsible for the design and construction of the grain elevator at Churchill. I spent a good many weeks there in connection with that work. I have always had a great interest in the port. I am happy that the last two years have both been, I think, record years for the movement of wheat through Churchill.

I am afraid that making Churchill the basing point for wheat under the present Canadian Wheat Board Act would curtail the movement rather than otherwise, for reasons that I will give in a moment or two. I think that the wheat board have handled the movement of wheat to Churchill with great skill. It is not an easy movement to control. Only certain grades can be handled by the port. They are grades that will make up into full cargoes; for unlike the situation at other ports in Canada, it is not possible to ship parcels of grain through the port of Churchill.

My hon. friend says that to make Churchill the basing point would give advantages to farmers within the area. I should like to remind him that, unless the advantages are actually earned, the advantages to the farmers within that area are paid for by farmers in other areas.

Mr. Wright: Is that not what happens in Alberta?

Mr. Howe: No. I think the Alberta situation carries itself.

Mr. Wright: It did not during the war.

Mr. Howe: Well, perhaps at times. But I would point out that the port of Vancouver is open for twelve months of the year. No excessive carrying charges are involved in shipping by that route. It is not a matter of selection, because all grain is marketable at Vancouver. The same thing is true of the Fort William route. Of course on the Fort William route in winter the haul is longer than in summer. The summer movements end at Montreal; whereas shipment in the winter months must be through Saint John or Halifax. But here again that route is open for shipment twelve months in the year, and any grade of grain is marketable on the eastern route.

As my hon. friend knows, Churchill is open for shipment about two and a half months in the year. For example, if today grain were shipped from, we will say, Hudson Bay junction to Churchill, it is true that the rate would be three to three and a half cents lower than the same shipment to Fort William; but that grain would necessarily remain in the elevator until September 1950. It would involve about eleven months of carrying charges which would involve an expense of fifteen cents or sixteen cents at least, perhaps a little more than that, on $1.75 wheat. Under the present system that expense would be carried by other farmers. Obviously next September the grain would have charges against it greatly in excess of the price it would return when loaded on a ship.

In actual practice grain is not shipped into Churchill in October and November. Shipments to Churchill begin in about May or June, and the elevator is filled to capacity when the shipping season actually opens. However, it is filled with grain that has

accumulated a carrying charge of perhaps only two months, at the maximum two or three months, instead of eleven months as would happen if the grain were moved into the elevator at this time. As I say, sufficient of the old crop is assembled to fill the elevator. Certain other old crop is held back to take care of the interval until the new crop begins to move, and then sufficient new crop is diverted into the elevator to take care of any boats that may be en route to that port. At the end of the season the elevator is empty. All the grain has been shipped, and the elevator remains empty until the following spring. As my hon. friend will appreciate, it is a closely regulated movement. It involves the minimum of storage and carrying charges and interest on the wheat. It is the kind of movement that is best for the grain growers of all Canada who pay all bills for the movement of wheat.

There is another difficulty about making Churchill a basing point. We will assume that the movement is a real movement. I think we must assume that. My hon. friend would not want a movement that was not possible and that is—

Mr. Wright: The minister admits that it is possible?

Mr. Howe: I mean economically possible. Another thing is that this is a short wheat crop. It is selling very readily. The crop is pretty well sold at this time, and it is sold for delivery within the current crop year. My hon. friend will appreciate that the Canada-United Kingdom wheat agreement ends at the end of this year, as does the five-year pool on wheat. Naturally it is greatly in the interests of Canada to deliver that wheat within the current crop year so that it may be delivered under the wheat agreement. I do not know what the price of wheat will be for the crop year 1950-51, and I am sure that my hon. friend does not know either. But if I were guessing I would guess that it might be a lower price than the price under the present contract. Well, if that wheat is in Churchill it cannot be delivered against the wheat contract, and therefore all the farmers in Canada would have to suffer a loss that would accrue through a price differential as between the next crop year and this crop year. There is a further difficulty that the wheat delivered during this year and shipped to Churchill is part of the wheat that must be accounted for under the contract. If that wheat were in Churchill the settlement under the five-year pool would have to be delayed until that wheat was actually marketed.

Those are the practical difficulties. There is another practical difficulty. Again I say I assume that my hon. friend would not want a fictitious value put on wheat. He would want it based on actual possibilities. There are some 40 million bushels of wheat that are tributary to the port of Churchill. As far as price differentials are concerned, we all know that only a fraction of that 40 million bushels can possibly be shipped through Churchill. My hon. friend says the fraction may be 50 per cent. Actually under present day conditions it is not more than 12½ per cent. Therefore 40 million bushels of wheat would benefit; whereas the actual movement that should properly benefit is the wheat which can actually move through the port which is only about 12½ per cent of the wheat tributary to the port.

If the government were paying the bills one might say: "That is all right; justice demands that these payments shall be made. The government is a very indefinite person. He cannot complain very much. It is all the people of Canada." But it is not the government that is paying the bills; it is the producers of the prairie provinces. I would think that the grower who is not tributary to the port of Churchill would ask: Why should I be charged in order that those who theoretically can ship from Churchill shall all benefit through their proximity to that port?

Those are the objections. I think that they are very real objections. I believe that the best results for the port of Churchill can be obtained by allowing the wheat board, which I think everyone in this house will admit is doing a first rate job in looking after the interests of all the wheat growers of Canada, to handle grain to the port of Churchill in the interests of Canada, and in the interest of the grain growers of western Canada as a whole.

If there were no pool and if we had an open marketing system as we had years ago there would be no objection to allowing anyone to ship to the port of Churchill who wished to do so, provided the grain were sold as it used to be when it was loaded on a boat. If under those conditions a grower within the area wished to ship to Churchill in November, we will say, he would do so, but he would do so knowing that his grain must pay carrying charges, must pay storage and must pay interest until roughly the 1st of September of the year following. If they knew that, I am sure the people in that area would not ship. But if the proposal of my hon. friend were accepted, if Churchill were a basing point, the economics of the situation to the person in that area would disappear entirely. He would say: What do I care about the carrying charges or how much they are? I get

$1.75 when my grain goes into the elevator at Churchill, and I am going to ship it in November and let somebody else worry about when it comes out of the elevator. That would be a fictitious situation, a situation that would not follow the laws of economics, and a situation which I am sure my hon. friend would not care to foster.

Just to sum up. The differences between Churchill and Vancouver and Churchill and Port Arthur are, first, that only two or three grades of wheat are merchantable at Churchill. If my hon. friend put feed wheat into Churchill it would be there until someone railed it back to Le Pas and down to Port Arthur. In other words, it is a limited market. Second, it differs from the other ports in that it is open only about two and a half months in the year instead of twelve months. Third, it depends on contracts made by the buyers of the wheat with one merchant shipping line. I believe that line is the only one that does business into Churchill.

All grain there is at the risk of these contracts being made. Under present-day conditions wheat is not shipped until contracts have been made which specify grade, quantities and tonnage. My hon. friend will say that everyone should have confidence that those contracts can be made, but there is that element of uncertainty which is not present in the method of handling grain through the other ports.

While my hon. friend is seeking to remedy what he feels is an injustice to the grain growers within a particular radius of Churchill through not having Churchill as a basing point, his remedy would inflict a greater injustice upon the grain growers outside that radius who would have to pay the bills to enable the farmers to collect higher prices through the basing point being at Churchill.

Mr. R. R. Knight (Saskatoon): Mr. Speaker, I do not intend to speak at any great length on this bill, because I understand there is a resolution on the order paper in connection with which we may have an opportunity to speak. What I have to say is more in the form of a question to be addressed to the minister. Is it not true that his statement is predicated upon the port only using 12½ per cent of the wheat that is available in the area which is tributary to the port?

Mr. Howe: No, I would just as soon use 50 per cent.

Mr. Knight: I know the port is being used to only 12½ per cent of that 40 million bushels, but would not the situation be different if the port was using 15 million or 20 million bushels?

Mr. Howe: No.

Mr. Knight: I have a copy of a letter from the manager of the port in which he says that the facilities there would permit them to ship 25 million bushels out of the port so long as those facilities were not interfered with by too much in the way of imports. While we are working now under definite agreements, I submit that the minister's argument will not be as valid when those agreements run out. It has not always been as easy to sell wheat as it is today or as it was during the war years and the years just subsequent.

Is it not quite true that it is likely wheat will have to be stored at some point? It seems to me that it would not matter very much from an expense point of view where it is stored. I know that the wheat board gave instructions that October 6 should be the final date for shipments to Churchill, and I would not think there would be any large amount of wheat stored at that port this winter. The day will come when wheat will have to be stored.

I do not see any sense in taking delivery of all grain in the east any more than I could see any sense in the wheat board taking delivery of nearly all Saskatchewan flaxseed last year at Fort William. The result was that those people in Saskatchewan who wanted to crush flax could not get a kernel of grain lately. They would have had to haul it back to the prairie provinces.

I suggest that if wheat is going to be stored in preparation for shipment some of it might be stored in the government elevator at Saskatoon. As far as I am concerned that elevator is just a white elephant, because it stands year after year with the bins empty. Grain has often been stored on the farm, and I think that is a good policy, but more use should be made of the government storage elevators in various parts of the country.

I was disappointed, and I know the people in my constituency were disappointed, when the vegetable oil mill had to close down two or three weeks sooner than it ordinarily would because no flaxseed was stored at Saskatoon. I make a plea to the minister that if wheat has to be stored it should be stored at Churchill, and in the government elevator at Saskatoon which has a 5½ million bushel capacity. I am going to keep on advocating the use of the port of Churchill. I should like the route to be tried at least once to full capacity. Give that port a chance to show what it can do.

Mr. A. J. Bater (The Battlefords): Mr. Speaker, I was pleased to hear the Minister of Trade and Commerce (Mr. Howe) say that he had a special interest in Churchill. Many of us in northern Saskatchewan have a special interest in that port. After listening to the

minister a few minutes ago we realize that there are many ramifications in connection with the shipment of wheat through Churchill.

Early this fall we were much concerned over what we heard and read about the boats coming into Churchill having no grain to take out on their return trips. After hearing the minister speak tonight I am beginning to see the reason why there was no grain at the terminal at Saskatoon. We are also very much interested in that elevator, and I am particularly because my farm is not far from it.

The marketing of grain is of much concern to us all and the minister has said that it must be got out quickly on demand. Possibly that has much to do with there being no grain in the terminal at Saskatoon. I am hoping that in the future, when the marketing of our grain is in a more stable position than at the present time, greater use will be made of this port. I do not intend to say much more about the shipping of our grain, but I should like to read a letter which I received since coming down here which refers to Churchill. This letter has nothing to do with wheat, but I think its contents are significant. It is addressed to myself and reads:

> It is my intention to bring some pedigreed cattle over from Great Britain next summer. Would prefer to ship into the country via the port of Churchill on account of that port being about 1,200 miles closer to our point than Halifax, thereby saving a long rail haul and consequently larger cost for freight, et cetera. At present there are no quarantine facilities at Churchill nor stockyards either (these were removed during the war) and it would be necessary to have quarantine facilities arranged by the Department of Agriculture, health of animals branch. Dr. Childs of Ottawa, I believe, is the chief veterinarian in charge of this.

He goes on to say:

> I have discussed this matter with the secretary of the On to the Bay Association who is in correspondence with Messrs. Dalgleish, the shipping firm of Newcastle, who, for the past several years, have been sending ships to Churchill for wheat, with a view to ascertaining rates, etc., for transportation.

That letter is signed by P. J. Ibbotson, of Radisson, Sask. He happens to be a breeder of purebred Shorthorn cattle in my constituency, and also a grain grower. Such a letter does bring it to our attention that possibly greater use should be made of the port of Churchill, not only for the shipping of grain from Canada, but also for the shipping of livestock and goods from Great Britain to different parts of Canada.

Mr. Robert Fair (Battle River): There seems to be a long drawn out argument as to the port of Churchill, but there is one bright spot in that argument in that the Minister of Trade and Commerce (Mr. Howe) stated tonight that he is in favour of that port. I think if more of our men in positions of power were in favour of Churchill rather than Montreal and other ports we would have a much greater advantage than we have been able to reap in the past. Many of the arguments of the minister have been based on present crop conditions, a short crop, and the fact that our contract with Great Britain expires at the end of July, 1950.

The people of northern Saskatchewan and others fairly close to the port of Churchill should be able to take advantage of it, and are entitled to some benefits on account of its existence. If it is not feasible to put the necessary changes into effect this year then action should be taken as soon as possible so that the people adjacent to that port can reap those benefits. I believe I had something to do with having the port of Vancouver amendment made in the Canadian Wheat Board Act. In my opinion, while we were entitled to have that change made, others are also entitled to have the port of Churchill used as a basic port.

Therefore, while the Minister of Trade and Commerce, as I said before, has based most of his arguments on the short crop this year and the fact that our contract with Great Britain expires next year, I feel that the Minister of Agriculture (Mr. Gardiner) will have to get busy and see that we get more rain so that we can grow larger crops and use the port of Churchill as a storage port if for no other purpose. While he is doing that, the Minister of Trade and Commerce can see to it that we have a contract that will bring us beneficial results for the delivery of the wheat that we can produce provided we get the necessary rain.

Mr. J. J. Smith (Moose Mountain): I want to speak very briefly on this bill. The matter of how we sell our wheat interests the people of my constituency so that I do not hesitate to put in a word on the marketing of grain. Some hon. members have said that northern Saskatchewan would benefit greatly by the use of the Churchill route. I think that we can all agree on that; but, as has been stated by the minister, under our wheat agreement with Great Britain we have to market that grain this year.

As far as my constituency is concerned, I am not in favour of the bill in its present form because we in western Canada will have to pay the storage on that grain. I understand that under the world wheat agreement the price of wheat will go down a little each year. If the wheat has to be stored and we have to pay for the storage and also take a chance on the price going down, then I am not in favour of the bill.

The Acting Speaker (Mr. Beaudoin): Order. If the hon. member for Melfort speaks now he will close the debate.

Mr. P. E. Wright (Melfort): I must say that I think the answers of the minister are rather weak. His whole case is predicated on the fact that the bill does not provide for the handling of the 40 million bushels of wheat that might be grown in the favourable freight rate area adjacent to Churchill. I think that argument may be wrong. With very little expansion the facilities at the port could be made to handle 40 million bushels of wheat. On the average, I do not think there are 40 million bushels of wheat produced in that area of the grades that can be marketed through Churchill. I think probably 25 million or 30 million would be closer to the amount that could be marketed from that area via the port of Churchill. Therefore I do not think his argument is sound.

His other argument is that if the freight rates were paid on the basis of all we produce in that area the growers in the area would not be interested in whether their wheat went to the port of Churchill because they would get the advantage even if it went to Port Arthur or Fort William. I should like to point out as to that argument that at the present time the wheat board—and I am not criticizing them because I think they have done a good job in many respects—have not put forth every effort to use the port of Churchill because it did not matter to the wheat board whether or not the wheat went there. They paid for it on the basis of the Fort William-Port Arthur price. If they had been paying for it on the basis of the Churchill price they would have been more interested in seeing that as much of that wheat as possible was delivered through the port of Churchill, either under the British contract or otherwise.

As for the minister's argument that wheat going to Churchill would remain in storage there until it had accumulated considerable storage charges against it, I should like to point out that in my memory there has not been a crop year in western Canada when there was not a carryover of wheat of anywhere from 40 million to as high as 400 or 500 million bushels. Therefore the two and a half million bushels of wheat that might be carried over at the port of Churchill would be a very small portion at any time of the total carryover of wheat in Canada. Carrying charges must be paid on that wheat whether it is at Churchill, Saskatoon, Fort William or Montreal. Carrying charges are accumulating just the same. I do not think the argument is sound that it is going to cost the wheat growers of the west a lot of money for carrying charges at the port of Churchill. As for its costing the wheat growers of western Canada more money because of the favourable freight rate to Churchill being paid to the growers in the Churchill area, that depends entirely on whether we make full use of the port. I think that we can make full use of the port to the extent of the wheat that is grown in that area of the grades that can be marketed through Churchill.

The minister did not answer my inquiry as to what the possible price might be at Churchill under the world wheat contract. Possibly he cannot do so at the present time, but if a favourable price is obtained for wheat at the port of Churchill under the world contract, a price in excess of the price at Port Arthur or Fort William, then I think it is doubly necessary that the people adjacent to that port should get some advantage from that price.

Mr. Howe: I would agree.

Mr. Wright: Under those circumstances I think the bill should have the consideration of the government.

Mr. Howe: Now that we have discussed this matter, perhaps the hon. member will not press the bill to a vote and will withdraw it.

The Acting Speaker (Mr. Beaudoin): Is the hon. member withdrawing the bill?

Mr. Wright: No; put it to a vote.

The Acting Speaker (Mr. Beaudoin): Those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Beaudoin): Those opposed to the motion will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Beaudoin): In my opinion the nays have it. I declare the motion lost.

Some hon. Members: On division.

Motion (Mr. Wright) negatived on division.

SOCIAL SECURITY

ALLOWANCES TO PERSONS SUFFERING INJURY, ACCIDENT OR CONGENITAL INFIRMITY

Mr. Lionel Bertrand (Terrebonne) moved:

That, in the opinion of this house, the government should during the present session take into consideration the advisability of including in their social security program a system of allowances to every person, without any sufficient income or means of support, who, by reason of an injury, accident, congenital infirmity or incurable disease, is at a disadvantage in seeking or obtaining employment, or incapable of providing for his subsistence, and whose age prevents him from benefiting by the social security legislation now in force.

He said: This motion was discussed in 1946 but was not adopted. It barely needs comment. My remarks will be very brief, because I should like to know the opinion of the house on this question. In 1946 no less than 15 hon. members, representing all parties in the house, supported the motion.

The then Minister of National Health and Welfare also was sympathetic to it, and I have no doubt the present minister will be sympathetic as well. Numerous welfare associations supported such legislation at that time, and today they strongly urge its adoption.

In the domain of social security, Canada has made an effort which deserves mention. Family allowances are now enabling large families with low incomes to face the heavy charges imposed upon them by a higher cost of living. Indigent mothers, blind and aged people are receiving from various governments grants which alleviate their sufferings and permit them to improve their lives. Allowances and pensions give veterans an opportunity to rebuild their lives on a better basis and assure them of a living if, physically speaking, they have left parts of themselves in the conflict. The labourer temporarily out of work may realize unemployment insurance benefits.

Family allowances stop at the age of sixteen; old age pensions start at seventy. In my opinion the age limit for this latter pension should be lowered to sixty-five as soon as possible. The difference of fifty-four years between the ages of sixteen and seventy represents more than the average human life. In my opinion a certain section of the people within those age limits has been left unprovided for; that is, the invalids and cripples. This group includes the victims of infantile paralysis, those who have suffered accidents of all kinds but who do not come under the benefits of any provincial accident insurance, persons suffering from congenital deformities, and other sick people we cannot cure.

If these people or their families are wealthy they can obtain all the necessary treatments in peaceful surroundings, thus alleviating the burden of their misfortunes. If they are poor they have to rely upon public charity. No municipal bylaw will provide help for them; no provincial allowance, as far as I know, can give them any grant; and I could not discover any federal statute under which they might get assistance of any kind. No one will employ an invalid; he is not accepted on the labour market. In this age of mechanization the machine, which does not stop, supersedes the human who, in order to follow it, must have strong arms, strong legs and powerful eyesight. Invalids and crippled persons are set aside for reasons of security and production. In the meantime the cripples and invalids, out of work or occasionally employed at casual jobs, cannot earn their living. If they have wives and children their fate is simply tragic. Then they must resort to public charity or welfare associations, or even beg from door to door. In addition to their physical misfortune they must undergo the brutal obligation of living desperate days with no hope of improvement. From week to week, under the heavy existence they have to bear, they become discouraged, if not filled with despair. Misfortune will poison them, but misery will kill them.

Crippled persons and invalids deserve their place in the sun. They have a right to happiness just the same as anyone else. So would it not be right for the Minister of National Health and Welfare (Mr. Martin) to study this problem and make a statement concerning these indigent persons, and then recommend a suitable system of allowances to be paid by the federal government or subsidized by both the federal and provincial authorities? The social security program cannot be complete if indigent invalids and crippled persons are left to their unfortunate fate.

Everyone endorses a program of social security for children, for the family, for indigent mothers, for the aged and blind, and for veterans and disabled soldiers. I am sure everyone will also endorse a movement to extend to crippled people and invalids the total sympathy of the nation, if special legislation to that effect is presented. Their existence on a lounge chair is restricted by the horizon of their window. They live in darkness, without light or company, in a state of perpetual restlessness with respect to the future, constant dejection, sleepless nights and continuous disappointment. A person who has never suffered cannot understand the darkness cast upon the life of a hapless person afflicted with infirmity, want and often poverty. Let us assure them that even though they may be ignored locally the nation as a whole is not indifferent to their fate and will not reject them from our national life. Spreading joy means spreading peace. To abolish social misery means strengthening the security of the nation.

(Translation):

Mr. Speaker, everyone approves the social security granted to children, families, indigent mothers, old men and women, blind persons, veterans and disabled servicemen. Everyone will also express approval if we extend to cripples and invalids the full sympathy of the nation, under the form of legislation specially meant for them. Their outlook is limited to what they can see through the window from their lounge-chair; it is restricted to a house whose threshold definitely shuts out the horizon; it is concentrated in the shadows, because they dread sunlight and the crowds; it centres around a

succession of worries about the future, of endless discouragement, of sleepless nights and of accumulated despair. Those who have never suffered cannot realize how gloomy is the solitary life of the hapless people who have to contend with physical disability, want and too often distress. Let us cast some ray of hope in their direction, by helping them to live. Let us give them the assurance that, while they may be unknown and unnoticed locally, the nation as a whole is not unmindful of their plight and does not consider them as outcasts. By giving joy we ensure peace; and by abolishing social distress we strengthen the security of the nation.

(Text):

Mr. L. Philippe Picard (Bellechasse): Mr. Speaker, the resolution now before the house commends itself to the sympathy and attention of all members. I am sure they appreciate the humanitarian views of the sponsor of this resolution who is bringing the matter before us for the fourth time. I have no doubt his views are shared by all members of this house. The welfare of the masses is the concern of all right-thinking citizens since no state can progress in harmony nor can a democratic society develop unless the vast majority of the people can live without fear and anxiety. The need of man is to live in security and freedom; not only political freedom which we in this country are fortunate enough to enjoy—often without realizing our good fortune—but freedom from want and freedom from fear of what tomorrow may have in store for us.

It was for this reason that years ago, under Liberal guidance, this country embarked on a program of social security. It has developed gradually, step by step, bringing joy to so many families, bread and better clothing to so many children throughout the country by means of the family allowances. That perfection has not yet been attained, I would be the first to admit, but I should not like my friends opposite to overlook the propriety of giving justice where justice is due. I am, of course, referring to the administration that has given Canada a system of social security of which we might well be proud even though, as I said before, it is not perfect.

If I may be permitted to quote a few words I said in this house in 1946, which are to be found at page 738 of *Hansard*:

> Social security is not a cure-all for man's troubles, nor is it intended to prevent man from working for his living. It would not be right to bring into being any social system which would have as its outcome any diminution, if I may so describe it, of individual effort, or any crushing of initiative. On the other hand, it is impossible to do away with risks and responsibilities, and it would not be right to have a society based on paternalism. What must be created is equality of opportunity for all. Heredity, talent, initiative and work will soon make sure that equality of attainment will not be achieved.

In principle, sir, all men are born equal; yet from the moment of their conception they are unequal. Some are born of healthy parents and some are born invalids, diseased and sick. Some men are born of parents who have great intelligence, while others are born of less intelligent parents; some are born wealthy and others are born in poverty. The moment a man is born, inequality is born. A system of social security is needed to correct somewhat that situation which nature and life bring about in society. It is also a false principle that equal work brings equal results. We know too well that that is false.

The measure now before us proposes a pension for invalids. It has been argued by many economists and sociologists that such a measure should be adopted at the same time as health insurance. I should like, at this point, to put on the record what I said on this question of health insurance, which is found at page 740 of *Hansard* of 1946:

> Sickness is the most constant and frequent risk for the low income population and for wage earners in general. It is a risk which may entail the loss of health and earning capacity, the loss of livelihood, the loss of ability to pay for medical assistance.
>
> What is needed is to place at the disposal of the people the facilities of modern medicine for the preservation of the health and detection of disease. As stated in the proposals to the provinces, under our present system, for those who cannot afford to pay, the cost of ill health falls at the very moment when earning capacity is cut off. Those unable to pay are left to the charity of benefactors. It is evident that a scheme of health insurance such as is proposed by the dominion to the provinces is necessary, and it is to be hoped that an agreement in this regard will be reached. Any such scheme should include an extension of assistance to the blind, assistance to needy mothers, and maternity grants.

And of course pensions for invalids. One of the most important aspects of social security is that which has to do with financial aid for interruptions or stoppage of income, or inability to earn sufficient income due to invalidity. The main headings under which such interruptions in work might be classified are unemployment, illness, age, disability and invalidity. Invalidity would fall into two different categories, temporary or permanent. There is also the question of industrial disability. The people who would suffer under this classification would be protected, of course, by the workmen's compensation acts that have been passed by the provinces. There are several classes of people who are not industrial invalids but who have been invalids from birth or who have never fallen into the category of people who were insured under the unemployment insurance scheme or who could not qualify

under the workmen's compensation acts. Up until now nothing has been done for those people.

Many economists and some sociologists would not give a social security measure such as this top priority. According to the various books on the subject that I have read, the subject was generally classified under the following heads: first unemployment, then health insurance; disability or invalidity; old age; premature death and funeral costs in such cases; family allowances; sickness insurance; maternity grants and widows' pensions.

One must consider that the question can be treated in two different ways and it has been handled differently by the various countries in the world. This is true of most of the social security measures. You can approach the problem through the contributory insurance systems or through state grants or pensions. We must admit, Mr. Speaker, that one of the groups which have been neglected in the organization of our social security set-up is that of the invalids. I mean especially those whom I mentioned a moment ago who are not mentally unfit, because those are hospitalized by the province, or those who, shall I say, do not become disabled through industrial occupations, but those who may in the early years of their life develop infirmities or who may be born with infirmities or incapacities of one sort or another. Those people have never come under any provision of the provincial or federal law. They are a group of people who have been sadly neglected, and I think it is high time that we did something for them.

In the province of Quebec there is a roundabout way of helping some of these cases, and that is through the Needy Mothers' Assistance Act. If a man is a permanent invalid or is one whose invalidity is expected to last for quite a long time, the mother can apply for the needy mothers' assistance and at times she is given consideration. But there is a clause in that law which specifies that unless the mother has children under sixteen years of age she cannot qualify. The burden is still left on the family if the husband has become invalided and if he was a farmer or lumberman and did not fall under one of the provincial workmen's compensation acts. Anyway, that is a makeshift arrangement. It is not a direct approach to the problem. What is needed is a pension for invalids similar to the old age pension. The matter has been handled in that way in some countries, although in others it has been made part of the contributory insurance system. First of all, Mr. Speaker, I think the important point is a definition of what is called invalidity. That is something that is considered important by all the economists who have treated on the matter, and it is something that has also been considered in different ways in different countries, and in different ways even in one country like the United States. The broadest definition, if I may say so, is the following. Under United States life insurance, purchasable by persons who served in the military or naval services of the United States during the war, total permanent disability is any impairment of mind or body which continuously renders it impossible for the disabled person to follow any substantially gainful occupation, and which is founded upon conditions which render it reasonably certain that the total disability will continue throughout the life of the disabled person.

Some people will say—and it has been so argued in certain countries—that this was not even broad enough because it could not cover the people who because of their occupations, did not come under the workmen's compensation acts and who become invalids not in a permanent way but oftentimes for more than one or two years. You have people who have some sort of lung ailments who can be hospitalized for a certain number of years or who may become better soon after. They cannot conscientiously be classified as permanent invalids. This might not apply to many people because the definition specifies "that the total disability will continue throughout the life of the disabled person".

This question of definition in all of the different laws that have been passed in the countries of the world has been an exceedingly contentious point, and the economists fear that it may lead to serious abuses unless the invalidity pensions are brought in in connection with a health insurance scheme whereby the physicians who look after the administration of the health insurance act can at the same time serve to determine the more or less permanent invalidity of a person who applies for that pension.

There is another approach to it and it has been tried by the Australians. But before coming to that, I think we might have a look at how the question has been treated, and for how long, in many countries of the world. In Germany I think the benefits date from 1911. But there they have never been entirely state benefits. The German wage earners and salaried employees' insurance schemes have included benefits for old age, invalidity and survivorship since 1911. The age for old age pensions was reduced to sixty-five in 1916. The two schemes work concurrently. The question of definition there also remained open for a considerable time and was never satisfactorily settled—that is, to the satisfaction of the interested parties

—because it covered only the wage earners and it did not go as far as the Australian scheme. On insurance in Germany I wish to quote from a book entitled "Medical Benefit in Germany and Denmark" by I. G. Gibbon, page 2, as follows:

> Insurance is compulsory both against sickness and against invalidity and old age. Roughly, it may be said that insurance against invalidity and old age has been compulsory for all manual workers, and, if the income does not exceed £100 a year, for some other classes of workers . . .

They still keep some qualifications, which of course must be taken into account in every such scheme, such as the income of the person, whether it is personal income or income from inherited sources. But yet it was wider than the laws of many other countries. To continue with the quotation:

> . . . Compulsory insurance against sickness, under the old law, extended to very much the same groups.

In Germany, there were schemes in connection with compulsory invalidity and old age insurance. They were insurance schemes; they were not pensions such as we have here in this country for old people and such as exist in Australia, for both the aged and the invalids given outright by the state. It may be as some of my hon. friends of the C.C.F. group have stated—and strangely enough I found that in many countries it was the Conservatives who were of that opinion—that the contributory system is more advisable. I have heard many of my friends over to the left advocating that system. In Germany it was compulsory; and for compulsory invalidity and old age insurance the workman and his employer contributed in equal shares, and the state provided only the administration. That is what is done with regard to workmen's compensation in many of the provinces. In this case also the contributions are proportionate to the wages. Most of the schemes are insurance schemes. They are not pensions as the proposer of this motion and I would like to see them.

In New Zealand, which is quite often quoted by our friends opposite as the state where they have a perfect social security system, the new benefits of the social security system came into effect in 1939. Old age, invalidity and minors' benefits existed prior to that date but these laws were consolidated and the scheme was on an insurance basis. There the social security system is financed by contributions from every citizen together with contributions from the state derived from general taxation. There you have the three sources. You have the workmen, the employer and the state contributing to the scheme. In New Zealand every person of the age of 16 years and over is required to register under the act, and, unless exempt, to pay a registration fee of five shillings a year in the case of females and a like fee in the case of males 16 to 20 years of age. Males over the age of twenty are required to pay £1 a year. In addition to the registration fee there is payable also to the fund a social security contribution of one shilling in the pound, 5 per cent, on all salaries, wages and other income. I wonder if that would please many of the people who are advocating the invalidity pension. As far as I am concerned, I much prefer the Australian system, which I have reserved for the end.

In going through the Beveridge report I was very much surprised to find so little said about the class of persons who may be called invalids, but who do not fall under any legally protected category at the moment. Paragraph 352 says:

> Where infirmity starting before working age prevents the person from entering a gainful occupation and therefore from qualifying for disability benefit, provision will be made for national assistance in case of need.

In the Marsh report I did not find any definite or satisfying scheme about disabled persons who do not become disabled as a result of industrial occupations. We know much about disability that causes loss of earnings, but that particular class of people mentioned by my hon. friend and in whom I am interested at the moment is not mentioned to any great extent in the Marsh report at all. The question has aroused interest in the United States on the part of sociologists. I quote from a book published in the United States called "Insecurity a Challenge to America", by Epstein:

> Although there is hardly any information in the United States as to the extent of invalidity, the problem of the crippled, disabled and chronically ill has always been with us. Since our machine development is very great, the risk of injuries from automobiles and other mechanical appliances is exceptionally high in this country. Outside of the workmen's compensation laws providing for those disabled in the course of their work, nothing has been done in this country to alleviate the distress caused by disability, except in the case of blindness. The inadequacy of voluntary insurance protection against invalidity is also evident.

He goes on to say:

> Today, twenty-five nations provide protection against this economic risk. Because of its permanent character, invalidity insurance is generally combined with old age insurance. This is done in twenty-one countries.

In Australia old age and invalidity pensions are provided by the state without any contributions. Epstein goes on to say that no other British dominion has made any provision for invalidity. He forgot New Zealand, which had made a provision long before this book was published. He goes on to say:

> In Australia the entire cost of invalidity pensions is borne by the government.

It is covered through noncontributory pensions and limits allowances to those who have no relatives able to support them. That was before the last changes were made in Australia in 1946 when the scheme was broadened.

I hold in my hand the sixth report of the director general of social services of Australia. They found this system workable, and they found that it was possible to carry it on without putting undue strain on the treasury. In Australia at the moment there are 290,000 people who receive the old age pension on a noncontributory basis and there are 68,277 people who get invalidity pensions, and 5,251 more people are in receipt of special pension in order to pay their board in asylums. These figures are not such as to show us that it is impossible to do it in Canada, because the cost in Australia is £29,000,000. I shall elaborate further on this—

On motion of Mr. Picard the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we shall take up estimates, commencing with Veterans Affairs and later on Labour or Public Works, I do not know which.

Mr. Green: All day?

Mr. Fournier (Hull): All day, except during the hour reserved for private bills.

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

HOUSE OF COMMONS

Friday, October 7, 1949

The house met at three o'clock.

MILITARY AIRCRAFT

CANCELLATION OF UNITED STATES ORDER FOR PURCHASE IN CANADA

On the orders of the day:

Mr. J. W. Noseworthy (York South): I should like to direct a question to the Minister of Trade and Commerce, a copy of which was sent to his office this morning. Has the minister's attention been called to a press announcement this morning to the effect that an obscure piece of United States legislation has been invoked by the United States air force to cancel a million dollar order for military aircraft which were to have been built in Toronto? Has the minister any comment to make?

Right Hon. C. D. Howe (Minister of Trade and Commerce): I have not seen the newspaper in question, but I am aware of the situation. I am a little surprised that the hon. member should refer to the Buy-American Act as an obscure piece of legislation. It is a piece of legislation about which we know a great deal. All I can say is that representations are being made in so far as the act applies to military purchases.

STANSTEAD COUNTY

CONGRATULATIONS TO RESIDENTS WHO HAVE REACHED OR PASSED THEIR 100TH BIRTHDAY

On the orders of the day:

Mr. L. E. Roberge (Stanstead): I should like to rise on a question of privilege, Mr. Speaker, to point out to hon. members that longevity still prevails in Canada, especially in the county of Stanstead, which I have the honour to represent. This very day Mrs. Alma Gardyne is celebrating her hundredth birthday anniversary, and on your behalf, Mr. Speaker, and on behalf of all hon. members, I extend to her best wishes for happiness and good health. She is now vacationing at Eagle Point. In the little town of Beebe, Quebec, Mrs. Gardyne has a cousin, Mrs. Emma Moir, who is 105 years old and still in good health. I suggest that hon. members who would like to live to a good old age should move to Stanstead county. To both these ladies we send our very best wishes and say *ad multos annos.*

SUPPLY

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

DEPARTMENT OF VETERANS AFFAIRS

526. Departmental administration, $2,157,024.

Mr. Pearkes: Would the minister care to make a statement?

Mr. Gregg: I had rather intended to reserve any general statement with respect to the work of the department until a little later in the estimates, if that would meet the wish of the committee. If hon. members desire to discuss matters of a general nature before touching upon particular matters, I suggest that it might be done under the item which has just been called.

Mr. Pearkes: I should like to discuss a few matters of general interest concerning veterans affairs and the administration of this department.

Successive governments during the last thirty years have been advised in the administration of veterans affairs by special and select committees that have been set up in order that the veterans legislation might be worked out to the best advantage not only of the country as a whole but also of the ex-servicemen and women. There was very little to go upon when the first veterans affairs committee was established in 1916, but almost every year since then the committee has been gaining experience and we believe has been of more and more assistance to the different governments. In the final report of the committee which sat a year ago it was suggested that there should be a standing committee on veterans affairs, and the same recommendation had been made by organized bodies of veterans. I feel I can say that these committees have been of great help to the various governments; and I would quote the words of a former minister of veterans affairs, the late Senator Ian Mackenzie, who in his foreword to the volume known as the veterans charter, makes this comment:

> In my parliamentary career of more than quarter of a century, I have never seen a committee work harder and with more effect than the 1946 House of Commons committee on veterans affairs. To its members—veterans all—must go the broad measure of credit for shaping the final legislative form of the most ambitious program of rehabilitation ever undertaken, in this or any other country.

Those are words of high praise. It was my great privilege to serve on that committee; and while I am not capable of embroidering the words here used by the late minister, I would say that I do consider it a privilege to have served on that committee, which was composed of members from all sides of this house who forgot their party affiliations and made a firm and determined effort to draw up legislation which would be of benefit to Canada and her ex-servicemen.

Not only do I believe that such committees have been of assistance to the government; they were also of great assistance to the organized bodies of veterans throughout the land. Representatives of those organizations were permitted to appear before the committee and give evidence in the presence of the officials of the department, placing before the committee the problems confronting them and recommending the steps they felt should be taken in order to improve the conditions of veterans as a whole or of some particular group. One might almost say that the committee provided a safety-valve for the veterans organizations. Those groups of men across Canada knew they could appear before that committee and, to use a common expression, let off steam. The committee would then consider the recommendations that had been made, and make its own recommendations to the government. Naturally the government would not always adopt those recommendations, but we had the feeling that they were receiving the earnest consideration of the government.

In the final paragraph of the foreword by the late Senator Mackenzie these words are used:

> Not for ten, perhaps twenty, years will it be known how much ex-servicemen and women have been able to contribute to a Canada at peace as a result of these re-establishment measures. When that accounting is made, I know the program laid down in the Veterans Charter . . . will appear in true perspective as a social investment of unmatched success.

These words indicate, I suggest, that the work of the Department of Veterans Affairs and the work of future governments in behalf of the veterans will not have been completed for many years to come, and I should like to feel that full advantage will be taken of that social investment to which the late Senator Mackenzie referred.

The problems of our veterans are still unfinished business. That is so because the national economy of the country is continually changing, and those changes affect the veterans of this land. In addition, advances are being made in medical science, and every bit of new information gained by the medical service is of definite value to the thousands of veterans still suffering from disabilities following the first and second world wars. Changes in provincial legislation also affect veterans legislation. In some provinces there are hospital insurance schemes which have a distinct bearing upon veterans legislation. Then there is the advancing age of the veterans to be considered. Year by year more old warriors go to their well-earned rest. As the remaining veterans advance in years they find it more difficult to support their families and to maintain life generally. It was therefore with considerable regret that during the last session we noticed that no committee on veterans affairs was set up and, so far as one hears, it is not the intention of the government during this session to assemble such a committee.

I feel that the government is depriving the veterans of this country of an opportunity of presenting their problems to the members of this house. I believe, too, that the government is depriving itself of the advantages which would result from such a committee, in the preparation of legislation and the administration of the Department of Veterans Affairs. Such a committee would aid in the preparation of estimates, and perhaps enable the minister to make a more equitable distribution of the available funds.

There are particular reasons, I believe, why a veterans affairs committee should be set up now. Within the past year a new province has been brought into the household of Canada. The veterans of Newfoundland have gained immeasurably by having the provisions of Canadian veterans legislation applied to them. Many of these Newfoundland veterans served under conditions which were slightly different from those under which Canadian veterans served. Some of them served in forces other than the forces of Newfoundland or Canada. Many minor adjustments have to be made to our veterans legislation to enable the veterans of Newfoundland to reap the full benefits of the legislation developed in Canada over the years.

Then there is the question of the Veterans Land Act. It is obvious from the speech from the throne that a bill is to be introduced during this session containing certain amendments to this act. Those amendments may be intended to regularize certain practices which are now carried on, but no opportunity is being given for a committee of veterans to examine that bill before it is introduced in this house. As one moves across this country and meets with veterans organizations, one gathers that definite amendments are required to the small-holdings sections in the Veterans Land Act. I am not sure that those regulations have worked out to the

benefit of the veteran in a number of cases. It has been said that new housing regulations are to be adopted. The necessity of providing homes for the people of Canada has made it necessary for the government to introduce a bill in the name of the Minister of Reconstruction and Supply (Mr. Winters). To what extent will the veteran benefit from that legislation?

It is the feeling of many people that the amount of land a veteran is required to take up under the Veterans Land Act, namely, some three acres, is too much. It does not meet the requirements of the veteran who has a permanent job and has taken a small holding in order to augment his income. No man can make a living off three acres of land, nor can he maintain that amount of land in good shape after completing a day's work in a factory or office. It is not surprising, therefore, to see a large portion of these small holdings covered with noxious weeds, such as the Canadian thistle. I believe steps should be taken to ascertain whether it would not be an advantage to the veteran to have that requirement reduced. Such an investigation might well have been carried out before a veterans affairs committee.

There is still uncertainty, or shall I say disapproval, amongst certain classes in connection with the war veterans allowance. There seems to be a general demand in this country that the war veterans allowance be brought more in line with the old age pension scheme. The means test as applied to war veterans allowance, if it cannot be removed, should at least be made more elastic. Since these war veterans are growing older, there is a feeling that the War Veterans Allowance Act should be extended to meet certain other classes of veterans. There are Canadians who served in the United Kingdom during world war I and who did not get an opportunity of serving in an actual theatre of war. As we all know, during world war II the United Kingdom was declared a theatre of war, but the provisions of that act do not apply to veterans of the Canadian expeditionary force, who, through no fault of their own, were retained in the United Kingdom.

There are many other veterans who did not serve with the Canadian forces but did serve with other commonwealth forces, and who have for many years been residents of Canada. They have raised their families to become good Canadians, just as the veterans themselves have now become good Canadians. There is a general feeling among organized bodies of veterans that the provisions of this War Veterans Allowance Act should be extended to their comrades who served in commonwealth forces other than the Canadian forces. The plight of some of these men who draw disability pensions from the British ministry of pensions is serious. The British pension scheme is not nearly as generous as the Canadian scheme. A one hundred per cent pensioner, or a widow drawing a pension from the British ministry of pensions, receives somewhere in the neighbourhood of $7 a week. It is hard for those men or women to maintain themselves in Canada on the standard that we should like to see our Canadian veterans maintain. I know that the British government considers that it has fulfilled its obligation when it pays these ex-servicemen in sterling. I realize that there is no legal obligation upon the Canadian government to pay veterans who served in other forces than the Canadian forces if they did not have Canadian domicile at the time they enlisted. But in view of long residence in Canada, and in view of the fact that they fought alongside our Canadian troops, it would be a generous action—one which I think this government could well afford, and one which would be applauded by the veterans organizations from one end of Canada to the other—if the government could see its way clear to extend the provisions of this act to include veterans who have lived in Canada for a long time and who served with other forces.

There are also problems in connection with the civil service preference. Recently certain regulations have been passed with regard to the training allowances under the Veterans Rehabilitation Act. These are amendments which were made by order in council dated as recently as September 28 of this year. There has been no opportunity for any committee on veterans affairs to consider any of these matters, and numerous others which from time to time arise and which affect the veterans of this land.

For these reasons, and for others which will arise, I believe that we are warranted in asking the government if they will meet the recommendations of the last committee on veterans affairs, of the Canadian Legion and of other organized bodies of veterans, by establishing a standing committee on veterans affairs.

Mr. Gillis: Mr. Chairman, the hon. member for Nanaimo (Mr. Pearkes) has said some things that needed to be said in this committee. I do not think there is any more important matter that could come before this committee than that of reconstituting that veterans affairs committee. We have standing committees of the house on industrial relations, on fisheries, on railways and on many other matters, but a veterans affairs committee deals with human problems, and they are problems that are changing from day to day.

I had the privilege of serving on a veterans affairs committee for approximately eight years. As was pointed out by the hon. member for Nanaimo, the veterans affairs committee did an excellent job for the government. The committee consisted of veterans of both wars. When the committee met, they did not discuss the business of the committee from a partisan standpoint. Everyone was interested in doing the best job he could for the veterans of both wars, with particular emphasis on the veterans of the last war. I found the members of that committee to be non-political and impartial. I am reasonably sure that most of the legislation that was enacted by the government was largely influenced by that committee, and the government received the credit for putting it through. That is all right. We are not particular who gets the credit, as long as we get something done. Ever since the committee was discontinued, an urgent demand has been made from all sides of this house for its reconstitution. I think it should be set up again at this session, and that it should be made a standing committee. I believe such a committee would be a great advantage to the government.

I am not being critical of the administration, because I realize that the Minister of Veterans Affairs is an old soldier. I know him well; I know that he is sympathetic. But I also know that he is just a human being and cannot be expected to keep his fingers on all the ramifications of the department. Neither can his deputy nor the members of the pension commission be expected to do that. What I shall be saying for the next few minutes is not by way of criticism of the administration, but is more in the way of thought-provoking comment. One reason why I think the veterans affairs committee should be set up again is that it would be a brake on regulations which are written around the basic legislation and which at times in effect completely change the meaning behind the act when it was passed. I am just going to give a few examples.

The hon. member for Nanaimo mentioned the small-holdings section of the Veterans Land Act. I remember what happened in the veterans affairs committee when that Veterans Land Act was under discussion. For weeks and weeks we sat in committee, and we hammered out what I thought was fairly good legislation. It was passed unanimously by the committee. Then it came before the house and was passed unanimously. Everybody thought we had done an excellent job. Certainly a great deal of work was done on it.

In my opinion the best section of the act was the small-holdings section. What happened with regard to that? Under the act that was passed by the veterans affairs committee and in the house an ex-serviceman could make application under the small-holdings section, and if he could secure a half acre of land in any part of Canada he qualified for the benefits of that section and could establish a home for himself. But a few weeks after the house adjourned, the act was changed by order in council and the land requirements of the small-holdings section were stepped up to three acres.

If hon. members will make an examination of the land that is available in Canada, they will find that it is impossible to obtain that kind of land in or around any town or city, or any community of over 1,500 in population. If it is there, you cannot buy it; it is too expensive. But in most cases it is not there at all. The order in council changed completely what the veterans affairs committee had in mind and what this house adopted. As a result, thousands of service personnel across this country lost the opportunity of securing a home. While housing is perhaps one of the main problems in Canada today, I do not think any section of our population is affected to a greater extent than are the service personnel. You meet thousands of them across the country. I object strenuously—and I think every hon. member should—to any board, commission or cabinet, without reference to the House of Commons, changing a statute that was passed by parliament. If the veterans affairs committee were sitting continuously during the session and handling the affairs of service personnel, which are changing from time to time, it would be a brake on that kind of thing.

Let me give another example. I hold in my hand a letter which indicates that regulations passed by somebody take the pension completely away from a serviceman while he is in hospital. It does a lot of other things as well; it does the kind of thing a committee would prevent. The minister has this letter on his desk, and I know he will do what he can to correct this injustice. I shall read a few extracts from this letter. It is an official letter from the Department of Veterans Affairs, Camp Hill hospital, Halifax, and is dated September 3, 1949. The man concerned was receiving a disability pension of $94 a month. He is an old gentleman, a veteran of the first war. The letter reads as follows:

This is to inform you that form 529, recently completed by you in connection with the amendment to class No. 6 regulations which became effective

August 1 of this year, has now been reviewed by our Ottawa office, and we have been instructed to advise that your monthly pension will be allocated as from August 1, as follows:

Total pension received	$94.00
Set aside 10 per cent (until credit of $250 is built up)	9.40
	$84.60
Less comforts and clothing	13.00
To be applied towards maintenance	$71.60

Therefore his pension is completely gone, and he is a pauper; he has nothing. But this is not the worst feature of it. The letter goes on to say:

In addition to the foregoing, in accordance with the terms of the amendment referred to, it will be necessary for you to hand over to the department for safekeeping the funds contained in your savings bank account in the Bank of Nova Scotia, New Waterford, which you state are slightly over $550.

Mr. Stewart (Yorkton): May I ask the hon. gentleman a question? Has he taken up with the minister the subject matter of that letter?

Mr. Gillis: Yes.

Mr. Stewart (Yorkton): Has he obtained a statement of the facts of the case?

Mr. Gillis: Just a minute. I have taken this letter up with the minister. The minister has had it in his hands since September 21. This is October 7. He is checking it. As I said at the beginning, I am confident that the minister—and I have known him for a long time—so far as he is able to do so, will correct any injustice to service personnel; but this regulation cannot be changed by the minister himself. Probably it has to be changed by the treasury board. Nobody knows who comprise the treasury board. They say what is to be spent and what is not to be spent, and these regulations come from that board. That is why I said I was not being critical of the administration. I have done a lot of business with them over the years. I have confidence in their honesty and ability, but I am doubtful of the people who are writing regulations that change basic legislation passed by this house.

I will await the minister's answer to this. I am raising this question deliberately, in order to get those who are behind the scenes, and who have usurped the powers of the House of Commons by changing legislation passed here, to think about it. That kind of thing was all right during the war, in an emergency, when you had to do things fast, but an emergency does not exist today. Veterans problems are definitely fixed now. We have accepted them, and we have them on our hands. The members of this group are prepared to sit on a committee of this house to do what we can to help the administration pass legislation which is fair and adequate, and in keeping with the service rendered by the service personnel of this country.

There is also the matter of the difference between the War Veterans Allowance Act as applied to personnel of the second world war and the War Veterans Allowance Act as applied to the personnel of the first world war. This matter was mentioned by the hon. member for Nanaimo. I am not going to repeat his argument. In the second world war England was a theatre of war. I am now thinking in terms of the widow section of the War Veterans Allowance Act. A widow of a veteran of the second world war who saw service only in England can qualify for a pension under a provision of the War Veterans Allowance Act, but a widow of a veteran of the first world war who saw service only in England cannot so qualify. This should be corrected. The widow of a veteran of the first world war has reached the age where she no longer has earning power. She is in the age group of from fifty-five to sixty-five. You have to be old to get the old age pension; she is too young for that. She has no earning power. The members of her family have grown up and have their own responsibilities and obligations. There are thousands of them across the country. They have no income, and they will come to you and tell you that they have no home. We should amend that section of the act, because if one widow is entitled to it on the basis of service in England, then we should have amended the act properly when it was amended and included the veterans of both wars. It is a great injustice to see an old lady in these circumstances. Because her husband unfortunately did not get over to France in the first world war, she is discriminated against, but the pension is being paid to a widow thirty-five or forty years younger who still has earning power if she wants to use it. If anything, the situation should be reversed, but definitely the discrimination should be removed; widows of both wars should be treated equally. This is another matter the veterans affairs committee should study thoroughly.

I should like to refer to another subject. It has been unfinished business for a long time. I have taken it up on many occasions in the house and in the veterans affairs committee. The hon. member for Vancouver-Quadra will recall it. I refer to divorce as applied to the soldier. I have taken cases up with the commission. I have talked it over with the chairman of the commission. I have discussed it in the house with the Minister of Justice. This is the way it works.

During the first world war the wife of a soldier went to the United States and divorced him while he was overseas. He came back to Canada. Not being a lawyer, he went out and found himself a wife. He applied to the proper person for a marriage licence, went before a clergyman and was married. He was in receipt of a disability pension. He applied to the commission for the dependent's pension for his wife. He was informed that he was not legally married; that the United States divorce did not apply in Canada, therefore his wife could not receive her portion of the pension. I raised this question in the house in 1940. At that time the minister of justice told me that in order to do anything about the matter it would be necessary to change the Canadian divorce laws. I do not think it is necessary to change the Canadian divorce laws, but if it is necessary, they should be changed. At the time I asked the minister of justice this question: If the man was not divorced, why was he not arrested and charged with bigamy? Why was he issued a legal document and permitted to go through a church marriage? That should be corrected. It was not corrected. The war was on, and in the aftermath of the war there were many other problems. But the question was referred to the veterans affairs committee for special study, and a report was to be made with respect to it.

I have run into two or three other similar cases. For instance, a Canadian boy married an English girl in Canada. She goes back to the old country and gets a divorce. He is stuck here in Canada and cannot do anything about remarriage. I am not suggesting a remedy. I do suggest, however, that the committee on veterans affairs should be reconstituted. The section of that committee which was giving special study to these matters included some good lawyers. They should be put to work again, and a report of some kind should be made to the house.

I have in mind another problem. A boy joined the air force early in the war, went through all the training, and qualified as a pilot. He was posted to one of the civilian flying schools as an instructor-pilot. My information is that he did not ask for that posting, he was sent there. While on a joy-ride one night he fell off a hay wagon and his skull was fractured. He is home, and in bad condition. He was refused a pension on the ground that he was employed by a civilian section of the service, and was told that he should make application elsewhere for compensation. Surely this is an obligation of the government. By virtue of the fact that he enlisted, took the training and qualified in the regular service, I suggest that there is an obligation resting on the government, and that he is entitled to compensation. In the services one goes where he is sent and asks no questions.

This boy is suffering from a fractured skull. The matter was taken up with the commission, and an adverse ruling was given. Perhaps these are small irritations, but they could be removed. None of them is very difficult; they just require the application of common sense. But we cannot get down to details and work out legislation unless we have men sitting in and giving the matter special attention. If the fisheries committee want to change a label on a salmon can, they meet, work on a bill, perhaps for hours, and approve it. I cannot understand why the government should be averse to reconstituting the committee. I worked with the minister more than twenty years ago in connection with veterans problems. He knows the problems, and I would like to continue to help him by bringing these small irritations to his attention so that he may proceed to remove them and those who were promised everything when the war was on and were hailed as heroes may get a square deal. The amount of money involved would be small.

I should like to bring to the attention of hon. members who may serve on the committee—and I say that because I am reasonably sure it will be set up; there are enough veterans in the house to see that it is set up—the fact that one reason for our having so many veterans problems in all parts of the country is that we have no proper social security measures. A large number of the problems which are dumped into the Department of Veterans Affairs really belong to some other organization, and have to be financed in some other way. But until we have a proper over-all social security set-up in this country, which will provide industrial pensions on a contributory basis, and adequate old age pensions, we shall have to take other action. The problems of first world war widows are not war problems. These widows should be given enough to enable them to live in comfort without having to present themselves as special problems connected with veterans affairs.

Until we have proper social legislation we shall have to continue to pass these matters over to the only department of government which has within its control legislation to ease the burden of these people in their old age. I plead once again with the minister that he set up a committee as soon as he can, so that we may get to work.

Mr. Quelch: Mr. Chairman, I should like to join with the two hon. members who have preceded me in urging that the committee on veterans affairs be made a standing com-

mittee. Under rapidly changing conditions it becomes important that we have a review from year to year of the various acts affecting veterans, to find out whether or not they are adequate to deal with the problems involved. We might also make a careful check on the administration of those acts.

Whether or not the government would care to make the veterans committee a standing committee of the house, I urge that a committee be set up at this session, because there is a good deal of unfinished business which should be dealt with as soon as possible.

I should like to make a brief review of some of the recommendations of former committees on veterans affairs.

The chairman of the committee which sat last will recall that when the pensions bill was reported to the house I congratulated him upon the manner in which the affairs of that committee had been conducted. Throughout its sittings a splendid spirit was shown. I complimented him on the fact that at no time during the deliberations of the committee was any attempt made to plug a vote by bringing to the committee Liberal members who had not taken an active part in its proceedings, merely for the purpose of defeating in a vote those members who had attended regularly and listened to all the evidence. While that condition was not so evident in 1946, I believe it is only fair to say that it is what happened in 1948. Indeed at times I believe the results were somewhat embarrassing to the government.

The final report of the committee which sat in 1948 was a good one, although it did not always go as far as some of us would have liked it to go. We were hoping the government would give sympathetic and careful consideration to that report—and I do not for a moment doubt that the government believed that they did that very thing. Unfortunately, however, they were not willing, apparently, to adopt many of the recommendations the committee had made.

I should like to deal briefly with some of those recommendations. Going back to the committee which sat in 1946, we find that it made certain recommendations concerning the corps of Canadian firefighters, the Canadian Red Cross Society, and ferry command. May I read from the report in this connection:

That the government consider the advisability of introducing a bill providing that:

1. The supervisors of the auxiliary service and fire fighters of the corps of Canadian fire fighters dispatched overseas, and members of the Canadian Red Cross Society and St. John Ambulance brigade who served in an actual theatre of war, be accorded all benefits, pensions, rehabilitation rights and income tax exemptions as members of the armed forces.

As former members of the special committee will recall, the government refused to implement this recommendation. When the committee was set up in 1948 we listened to briefs submitted by these three organizations, and became convinced of the soundness of the stand we had taken in 1946. Therefore we again brought down recommendations urging similar action. Again the government did not see fit to take action.

I believe the committee was insistent that the Canadian firefighters should be treated in the same way as members of the armed services, because at the time of their enlistment they were assured by the then deputy minister of defence, General LaFleche, that they would be considered a fourth arm of the services and receive the same treatment. In 1946, therefore, we voted to give them the same benefits as members of the armed services, and we voted the same way in 1948.

As to the Canadian Red Cross girls, I think there has been a good deal of misunderstanding about the type of service they performed and the pay they received. In order to clarify this point I should like to read briefly from the final report of the veterans affairs committee of 1948. The part dealing with these girls reads as follows:

The young women who left Canada under the auspices of these two organizations—

I am referring to former members of the Canadian Red Cross Society and the St. John Ambulance brigade.

—served with the armed forces in Great Britain, on the continent of Europe and in other theatres of actual war. They acted as nursing assistants, ambulance drivers, etc., were attached to military units under the discipline of the officers commanding, and shared hardship and danger with the members of the forces without sharing their privileges or receiving sufficient remuneration to meet the minimum costs of maintenance; they were all volunteers and many were overseas long before the women's corps of the armed forces were organized in Canada. Your committee recommends:

That overseas welfare workers, as defined in paragraph (a) of section 53 of the Civilian War Pensions Act, be granted

(a) if pensionable, eligibility for vocational training as provided for veterans, or equivalent educational training; and

(b) a gratuity of fifteen dollars for every thirty days of service in an actual theatre of war.

The veterans affairs committee gave the matter careful consideration and arrived at that decision after hearing all the evidence. But apparently the government has not seen fit to implement this recommendation.

Then there is the ferry command. The 1948 report of the veterans affairs committee recommended that they should be given the following benefits: (a) vocational and educational training as for veterans; (b) benefits under the Veterans Land Act, 1942; (c) a gratuity on the same basis as awarded to

the armed forces; (d) re-establishment credits as for veterans; (e) eligibility for insurance under the Veterans Insurance Act.

So far as I know the government has not taken any action to implement these recommendations. The matters they deal with should be reviewed by the veterans affairs committee. It may be argued: Why do this, when the veterans affairs committee has already, on two different occasions, made recommendations covering these people, and the government has failed to act? Nevertheless it is very important that the veterans who were on the veterans affairs committee, if they are still satisfied that action should be taken, should do all in their power to impress upon the government the fact that we have not fulfilled our obligation to these people. As to the firefighters, the definite promise made to them by the deputy minister upon their enlistment should be upheld.

I want to say a few words about the old soldier settlers. As the older members of the house know, the hon. member for Battle River (Mr. Fair) has always taken much interest in this matter. I am an old soldier settler myself, but I am not referring to myself because I do not owe the government any money. I think we all realize that the soldier settler had a pretty tough proposition under the old Soldier Settlement Act. The act did not go nearly as far as the Veterans Land Act, and even under the Veterans Land Act many of our young veterans are having plenty of difficulty in meeting their obligations.

In 1948 the veterans affairs committee recommended that the old soldier settlers be given a clear title. Apparently the government have decided not to take action on that recommendation, but I frankly admit that they have at least gone part of the way in helping to relieve what is a tragic situation so far as the old soldier settlers are concerned. Supplementary estimates were brought down in 1948, I believe, in the amount of $150,000, to reduce their indebtedness, and I see that in the present estimates there is another item of $150,000 for this purpose.

I am aware of a number of the new agreements that have been offered the soldier settlers. Many of them provide for a considerable reduction in the debt, but in order to take advantage of that reduction they must meet their payments as they come due. They are told that if they do not meet their payments the agreement will no longer be effective. In view of the crop failures in various parts of western Canada this year, I hope that when these veterans fail to meet their payments under the new agreements, as some of them are bound to do, the agreements will be extended so that the soldier settlers may still receive the benefit of the reduction. In other words, I hope that the department will extend the time during which payments can be made. I do not doubt for a moment that this will be done, but I have received several letters, some of which I have already taken up with the department. I am quite satisfied with the attitude of the department, but on the other hand they point out that in order that the soldier settler may get the benefits of the new agreement, these payments must be made.

There are one or two other questions I should like to deal with. Two hon. members who spoke previously referred to the War Veterans Allowance Act. I have always looked upon the War Veterans Allowance Act as one of the most important pieces of legislation administered by the Department of Veterans Affairs. Many veterans who are one hundred per cent incapacitated depend upon the War Veterans Allowance Act because they are not able to receive a pension owing to some technicality in the Pension Act. Many of those men are having a pretty tough time. I well remember that when the War Veterans Allowance Act was first introduced it was stated that the age at which a war veteran could obtain an old age pension would be reduced by ten years. In other words, we took the stand that war veterans were prematurely aged by ten years, and that they should obtain the old age pension at the age of sixty instead of seventy.

Various changes made in the act since that time have broadened it considerably; nevertheless the war veterans allowance provides a smaller amount of assistance than the old age pension. I believe a married veteran may receive only $70, whereas under the Old Age Pensions Act he would get $80, and supplementary payments by the provinces would make it more than that. Under the War Veterans Allowance Act the maximum is $70 a month, apart from the assistance fund; but there are comparatively few veterans who can obtain help under that special fund which was created last fall or early this spring. I believe all veterans organizations have urged that the amount of the war veterans allowance should be increased to $50 a month for a single man, and that a married war veteran should receive at least $85, and some have urged $100.

In addition, as a previous speaker pointed out, the veterans have urged that England be made a theatre of war for world war I. They have also urged that action be taken to make imperial veterans, who were not domiciled in Canada prior to world war I but who have resided in Canada for twenty years or more, eligible to participate in the benefits of the War Veterans Allowance Act.

With respect to the Pension Act, one provision has received probably more consideration than any other in the various veterans committees; that is the question of disability of pre-enlistment origin. Committee after committee has tried to deal with that situation in such a way that veterans who were graded as A-1 upon enlistment may be able to get pensions for any deterioration which has taken place. An amendment was suggested in 1946 striking out the words "wilfully concealed", but at that time the government was not prepared to accept it. A similar amendment was suggested again in 1948, when I am glad to say it was accepted by the government. I understand that as a result a revision of all pension cases has been carried out to ascertain whether any veterans may benefit as a result of those words having been taken out of the act. I hope that at some later date the minister will tell us just how many cases have been reviewed and how many veterans have benefited as a result of that change. Judging from some cases that have come to my attention I am afraid we still have not solved that difficulty. There still seem to be many veterans who should be entitled to pension but who are denied it on the ground that their disability is of pre-enlistment origin.

Then there is the question of benefit of the doubt, which has also received a great deal of consideration in the various veterans committees. In 1946 we suggested a very minor amendment to section 62. In 1948 we were still convinced that the situation was unsatisfactory, and suggested another amendment. I would remind hon. members that in its report the McCann commission stated that not in all cases were veterans getting the full benefit of the doubt under that section. It was hoped that as a result of the amendment suggested in 1948, and following the discussion that took place, there would be a broader interpretation of that provision. Mind you, in making these remarks I am not criticizing the pension commission, because I realize that they are bound by the act. If we are not satisfied with what can be done under the act the only remedy is to amend the act to permit the pension commission to deal with these matters in a broader way. Personally I am still satisfied that we have not amended in a proper manner the provisions with respect to the benefit of the doubt and disability of pre-enlistment origin, and I believe further changes will have to be made before these cases can be dealt with satisfactorily.

That is all I intend to say at this time, but I hope the minister will be able to assure us that this committee will be set up this session, and moreover that it will be a standing committee of this house.

Mr. Fulton: I too would like to support the suggestion advanced by the three speakers who preceded me, that the veterans affairs committee should be set up this year and that it should be made a standing committee of the house. I think perhaps you will agree, Mr. Chairman, that at any rate for purposes of argument sufficient reasons have now been advanced to make it unnecessary to go into the matter again in detail. I suggest sufficient reasons have been advanced for the purposes of argument, but in my view sufficient reasons have been advanced to justify the setting up of the committee, and I hope sufficient reasons have been advanced to ensure that the government will in fact accept the suggestion and proceed along these lines.

I would point out just one fact that is very relevant to this discussion. There are some thirteen standing and select committees of the house which are set up from year to year. These are not all included in the little book you have in your hand, Mr. Chairman, but I took the trouble to go into the lobby and check in order to see how many of these select committees are appointed each year. Of the thirteen, some half dozen meet only once or twice a session. Some have not met for years. So it could be said with a great deal of justification that these half dozen committees, if they could not be dispensed with, at least could be consolidated into one committee. It is extraordinary that in this house we should have half a dozen committees serving virtually no purpose, or whose work could be done by one committee, while we do not have a committee on veterans affairs as a standing or select committee of the house. A great deal more could be said on this score, but I do think our whole committee system needs overhauling, and that a number of committees should be consolidated into two or three new permanent committees, to keep pace with the changing conditions throughout the country. Perhaps this is not the time to develop that argument at length, though the suggestion that there should be a veterans affairs committee certainly comes within the compass of that whole subject. I believe the need for a revision of our committee system reinforces the present demand that we should have, if not a permanent standing committee, then a yearly select committee on veterans affairs.

There is only one detail in connection with the administration of the department that I should like to mention in support of the general request for a veterans affairs committee. It is one of the things that could be and should be discussed in that committee, in order to protect the commission from the pin pricks and minor difficulties

that occur in the administration of the various acts, to ensure that the good will of the veterans will be preserved, and to assist the department in administering the acts as in fact we know they would like to administer them, in order that the best interest of the veterans may always be served.

This question was discussed in a previous committee. It concerns those disabled pensioners who are unable to have children of their own and who wish to adopt children in order that they may have the joys of family life which are otherwise denied to them. It is extraordinary to find that while a married pensioner is perfectly free to adopt a child, as far as the authorities are concerned, he is denied any additional allowance on behalf of that adopted child, while people who are fortunate enough to be able to have children of their own are quite properly granted an additional allowance in respect of those children. The reasoning behind that rule is quite incomprehensible to me because its only effect, whether or not this is the deliberate intention, is to deny to people unable to have children of their own the joys of married life surrounded by children. It is an additional penalty imposed upon those who are already unfortunate, which I think is quite unjustified and unjustifiable.

I could not understand the reasoning given in the committee in support of that regulation. I am still unable to understand it. Since that time I have come across another case, that of a married pensioner who wishes to adopt a child and is going to do so. He is not in good circumstances, but he is a man of the finest order with the best type of home, where children will be given the very best care and will grow up to be useful citizens. That man is already under the misfortune of not being able to have children of his own, and now is discriminated against further by that regulation under the Pension Act. Now, that is only one question which should, I think, be further discussed in the veterans affairs committee. I would ask the minister, however, whether or not we have a committee, if he will approach this question sympathetically, as I am sure he would every question. I am certain that if he will approach it in that attitude, he will see his way clear to surmounting the technical obstacles in the way of removing this regulation.

If it is found necessary to limit it to six children, that would be some gain. I believe the reason was given for the present regulation but it seems to me quite ridiculous, if I may use that term. It was said that this might develop into a racket and that veterans would adopt children just for the purpose of getting the allowance. Can you imagine anything more ridiculous? There might be a half dozen cases in which people might turn it into a racket, but I doubt it. Are we to penalize the legitimate case merely because there may be some hypothetical case of a man adopting fifteen children just to benefit from the increased allowance? There are social service agencies in every part of this country who make it their business to see that only suitable persons adopt children. That being the case, the possibility of adoption becoming a racket is so unlikely it is hardly worthy of our attention. I believe it is an argument that cannot be given any weight in considering this matter.

I ask the minister again, whether or not he sets up a committee, if he will take that matter into consideration and see if the regulation cannot be changed, even though it will involve the necessity of submitting amending legislation to this house. If he would submit such legislation I believe it would go through this house without a dissenting vote.

Mr. Stewart (Yorkton): I did not intend to say anything on this item but, as a government member, a veteran, and a past president of our branch of the Legion, I do not want the house to be left with the impression that everything the Department of Veterans Affairs has done has been wrong. As we all know, we had grousers in the army. Sometimes the best grousers were the best fighters. In this house, of course, we have an opposition and the duty of that opposition is to criticize.

From the picture painted today people might believe that the Canadian veteran has not been well treated. I have not heard any complimentary remarks so far in this debate. I have heard certain criticisms. The member for Nanaimo (Mr. Pearkes) has mentioned the imperial veterans. The plight of these men has been under consideration by the Legion for many years. It has also been considered by many successive governments. I do not know how far the principle is to be carried in connection with imperial veterans. Those veterans were employees of the United Kingdom. They were not soldiers of Canada at the time they came to Canada. These men realized they would receive their pension from the British government. How far does the member for Nanaimo intend to carry that principle? Will he extend it to the veterans of other allied nations who have come to Canada? Are we to add to the pension of a French veteran because France does not pay him a large enough pension? Is the Canadian taxpayer to pay him? Is that principle to apply to the veteran of the United States who comes to Canada and wants a larger pension?

Mr. Lennard: On a point of order, Mr. Chairman, I should like to make a correction. A pension was never asked for the British imperial veteran.

Mr. Stewart (Yorkton): You are asking for the difference between the imperial veterans pension and the Canadian pension.

Mr. Green: No; war veteran's allowance.

Mr. Stewart (Yorkton): You are also asking for the war veteran's allowance.

Mr. Lennard: I say there was never a request for pensions.

Mr. Stewart (Yorkton): At convention after convention in the past, an increased pension was requested and it was to be paid on the basis of the Canadian pension. I have heard that matter argued in Saskatchewan, and I venture to say I have been a member of the Legion longer than the hon. member who just spoke.

Mr. Lennard: I was a charter member.

Mr. Stewart (Yorkton): So was I.

Mr. Mutch: That makes you even.

Mr. Stewart (Yorkton): That is all right, and I venture to say I was in France before the hon. member.

Mr. Fulton: Perhaps my hon. friend would permit us to ask him where he stands on this matter?

Mr. Stewart (Yorkton): You have not allowed me to finish my speech. I am asking you how far you are going to carry this principle?

Mr. Fulton: You tell us.

Mr. Stewart (Yorkton): You will be told when we get down to the estimates. You will also be told whether or not a committee will be set up. I believe the veterans will realize that the Minister of Veterans Affairs (Mr. Gregg) will do the fair thing. I do not know what his reason is for not setting up the veterans committee as yet. As I understand it, this is a short session of the house. The business of this house is fairly plain, and that is to put through the budget. However, there will be a longer session commencing next January. I do not know what will be done as I have not talked it over with the minister.

The veterans of this house, I believe, have enough faith in the minister to have regard for his views. If he decides it is necessary to set up this committee, it will be set up. It will be for the minister to decide that. In connection with this grousing, may I say that we have a branch of the Canadian Legion at Yorkton which has a membership of over three hundred veterans. During the last series of meetings, I did not hear a complaint about anything. My partner is head of the grievance committee and I serve as chairman of the pension committee. Any matter we found it necessary to take up with Ottawa has been promptly and fairly dealt with. So far as I know there is not any case in that branch that has not been properly handled.

In addition, and I think this should be made known to the public by the veterans of this country to prevent a wrong impression being gained from what has been said here today, the veterans of Canada have been better treated than the veterans of any country in the world. It is all right for some to sit and grouse, but that is not the veterans' job. I believe ours is a more responsible job than that, and we should do something practical. These cases should be taken up with the minister, who has been very favourably disposed towards veterans, and some attempt be made to get action for the veterans.

The hon. member for Cape Breton South (Mr. Gillis) mentioned the matter of divorce. I do not know whether the member is advocating that, because our wives go down to the United States and obtain a divorce, we should be free to have a common-law wife who should be eligible for pension and allowances. If that is the intention, some of us will get rid of our wives very quickly.

Some hon. Members: Speak for yourself.

Mr. Stewart (Yorkton): Surely, that is not his intention. Many complaints have been heard about housing. It is easy to stir up the veterans of this country who have, perhaps, some grievance. I believe it is the duty of some of the older veterans to exert a steadying influence so that something concrete can be done for them. I have attended meeting after meeting of veterans in different parts of my province and I have heard some complaints about the type of house the veteran is getting. Such complaints may make a popular vote-catching appeal for a certain type of politician.

I had the opportunity of visiting the Scottish branch of the Canadian Legion in Los Angeles. I viewed the housing built by the United States for the veterans at a cost of $12,000. These houses are mere shells. They do not contain proper basements, have no insulation and no heating unit. They could not compare with the houses built for our veterans. The houses built for the Canadian veterans are built to cope with Canadian weather conditions. Why is it that the veterans at the head of these organizations do not inform the boys about these things? All you do is sit around and add fuel to their

troubles. My job at Yorkton is to get more houses built and I should like to get more houses of the same type.

I do not know what you fellows did when you came back from the war and got married, but I know the type of house I secured. I had to pay for it myself. It had outside plumbing and outside everything else. But in those days we did not grouse. We happened to belong to the first division. We came back and did a job. The government did not give us much. They gave us $300 and told us we were through. Let us get a little bit more of that spirit in the country.

I am quite willing to support any reasonable request to the minister for a committee. In addition, if the minister does not appoint a committee, in order to do something constructive I am ready to join with every veteran in this house in holding meetings ourselves and bringing before the minister, and consolidating, for the sake of the veterans, something that will be of some use for them. That is a way in which I think we can do more good than by just sitting here and mentioning this case and that, and saying to the administration: you did not do so-and-so under this regulation; you changed this or that regulation. Let us be constructive. I am ready to meet with the committee of veterans at any time in this house and try to work out any of their problems, either on Saturdays or at any other time.

I think it is generally agreed that under the veterans charter, and under the policies of the government for the last eight years, the veterans of this country have been fairly dealt with. There are improvements that can be made; there is no question of that. There always are, no matter what department of the government you are dealing with. Even Rome was not built in a day. Generally speaking, however, I think the Minister of Veterans Affairs is to be complimented on the conduct of the affairs of his department since he took office; and I feel that he will give us a good deal for the veterans generally.

Mr. Herridge: In rising to make a few brief remarks on this item, Mr. Chairman, I feel that it is first of all my duty to express my appreciation and the oft-expressed appreciation of my veteran constituents of the work of this department. That includes everyone from the minister to the humblest employee. I also include the parliamentary assistant who, I must say, has been most helpful in, shall I say, those unnoticed little assistances from day to day. By and large, I think the Department of Veterans Affairs has set an example for other departments of government to follow. In my opinion, the veterans affairs department has the best understanding of public and individual human relations of any department of government today.

I want to support the plea made by members who have preceded me for the establishment of a standing committee or a special committee on veterans affairs. Before proceeding further with my remarks in that connection, I want to assure the previous speaker that the veterans affairs committee, of which I have had the honour to be a member for three sessions, has not played party politics. Regardless of whether the members were Conservative, Liberal, C.C.F. or Social Credit, I think I can properly say that they did not try to stir up grievances. Their whole approach was in an effort to remedy grievances in a constructive and proper manner. In view of the experience with the present legislation, in view of changing circumstances, and in view of the great importance of this department which is even this year spending approximately $217 million, I think we are justified in urging upon the minister and upon the government the re-establishment of this special or standing committee on veterans affairs.

The work of the veterans affairs committee in 1945, 1946 and 1948 was not only of value in assisting the government; in my opinion it was of even greater value than that. I do not think there ever was any committee of this house that was more able to, shall I say, focus public attention on important legislation and to bring to a greater percentage of the public an understanding of the legislation being dealt with by it from day to day.

There are several particular reasons why I think this committee should be established, Mr. Chairman. Some have been mentioned by previous speakers; therefore I am not going into details. I want to mention, however, what are in my opinion several particular reasons for the necessity for the establishment of this committee. Under the present circumstances, I think the committee should be established to deal with amendments to the War Veterans Allowance Act. I think we should now give consideration to the representations of the Canadian Legion with regard to the amounts to be paid to single and married men. This is a matter of considerable concern to the veterans across the country. Just today I received a brief from the united veterans co-ordinating committee of British Columbia which represents all veterans organizations of British Columbia. This brief sets out in full the position of these organizations in British Columbia, and describes fully the present injustice suffered by a section of the veterans of this country. I do not think that anyone can reasonably

argue that those under war veterans allowances are being treated fairly, having regard to the present scale of old age pensions in this country; and let me say here that I am glad to see those people getting the amounts they now receive, particularly those in British Columbia.

Before proceeding further, I should like to digress for a moment. I think we must be fair, Mr. Chairman. If we advocate these increases in allowances, and these necessary adjustments and increases in pensions, we must be fair enough to this government to advocate publicly a rate of taxation that will cover those increased allowances and pensions.

As to a review of Canadian pension legislation, the hon. member for Acadia dealt with two points with which I am sure we are all concerned. The general legislation is excellent, and I think it is functioning satisfactorily, except with regard to the two points raised by the hon. member for Acadia. They had to do with the clause dealing with disabilities of pre-enlistment origin, which subject I still think is far from being satisfactorily settled, and also with regard to the clause dealing with the benefit of the doubt. In making these remarks, I am casting no reflection upon the personnel of the Canadian pension commission because I think they are doing an excellent job at the present time, administering the present law and regulations.

While I am speaking about pensions, I want to make one other reference. I want to suggest to the minister that while it may mean the expenditure of a few apparently unnecessary dollars, I think it is good policy for the commission to sit as often as possible in some of the smaller places; I believe it is good policy for the commission to show the Pension Commission flag in such places. By having hearings in smaller places, an increasing number of people come to understand the operations of the Canadian pension commission and its functions.

I wish to make a few brief remarks with regard to the Veterans Land Act which, on the whole, I think is functioning well. One matter that was brought to the attention of the committee by the hon. member for Cape Breton South particularly affects hundreds of veterans in my constituency. I refer to the increase in the area required for a small holding, from half an acre to a maximum of three acres unless valued at $500 or more. That change has caused a great deal of hardship in my constituency. I believe the small holdings section of the Veterans Land Act is the best home-building legislation we have in Canada. This increase in acreage is making it impossible for hundreds and thousands of men in this country to build their own homes; in many cases they would do so if the area were reduced to half an acre again. I know that this increase in acreage affects directly some 250 veterans who reside around the cities of Trail, Rossland and Nelson in my constituency. In that area it is impossible to get the amount of land required under the present regulations. I urge the minister and the government to give consideration to reducing the acreage required to half an acre as it was formerly.

There is one other suggestion I should like to make, particularly in view of the fact that the majority of the men wishing to settle on larger farms have now become located, and I think other British Columbia members will support me in this suggestion. We can do more to promote the settlement of veterans on provincial lands under section 35. It is one of the best sections of the act, because when a man acquires a piece of provincial land, either for a small holding or for farming purposes, he receives his credit or grant of $2,320; and has no debt to repay. Particularly in pioneer districts, if he is the right type, he is well on the road to making some headway towards re-establishment. I have discussed this matter with the minister of lands of British Columbia, with the deputy minister, with the superintendent of lands and with other officials. They are very sympathetic toward the question of assisting this government and the veterans affairs department in the settlement of veterans on provincial lands. We have a lot of land, particularly in the southeastern part of British Columbia where I come from. It is in forest reserves, and rightly so. Large areas were placed in forest reserves to protect the timber and for the growth of timber, en bloc in many cases. However, in those areas we have some land suitable for farming purposes and we have some land along the lakeshores suitable for small holdings. I am speaking now of the Arrow, Slocan, Trout and Kootenay lakes. They are beautiful lakes. I believe this government should do everything it can to see that as many of our own boys as possible who have grown up in the district, and who are working in the district, have an opportunity to acquire provincial land either for farming purposes or for small holdings and home sites along the Arrow, Kootenay and other lakes in Canada. These are marvellous sites which these young chaps should have the first opportunity to acquire. I know that the provincial government is willing to assist in every way possible. I urge the minister and his officials to give every consideration, to intensifying the settlement of veterans on provincial land in the province of British Columbia for farming and small holding purposes.

In addition to that, there is a group of veterans who are not qualified to obtain loans or grants under the Veterans Land Act. These are war veterans who served in the first world war or veterans who have come from Great Britain since the conclusion of the war. These veterans are not entitled to receive loans or grants under the act. I suggest to the minister that the machinery of the department could be used to assist these men in getting priority in the acquisition of provincial land. Our own boys should get the first opportunity. Hundreds of other people are seeking these locations in order to settle on farms, and are also seeking provincial land for home sites. These men are not entitled to consideration under the act but I do suggest to the minister that his department and his officials should assist these men by taking up with the government of British Columbia the question of their receiving priority when they want to purchase the land as individuals.

I also think that the committee should be re-established to reconsider the Veterans Business and Professional Loans Act. I find that while the department is ready to give the qualification certificates—and they are not difficult to obtain provided the veteran has the service—yet the veterans are getting very poor service from the banks in some cases. I have met several bank managers who know next to nothing about the act and its operation. Boys go into the bank and say that they are qualified under the act to receive a loan or consideration for a loan. In some cases the bank officials have no idea of the procedure and in other cases, in my opinion, they are not very sympathetic. I have examined several cases closely and I find that the procedure that is carried out is not giving the edge to the veteran with regard to the loans to which he is entitled in view of the government guarantee behind the act.

The committee should be re-established to give some consideration to the claims of the merchant seamen. Some aspects of that question have not been definitely, finally and justly settled. The firefighters' claims should be reconsidered, as was mentioned by the hon. member for Acadia. Then there is the question of other matters which do not come definitely under the veterans charter legislation. I refer to the sale of wartime houses to veterans. All across this country there are veterans who are living as tenants in wartime houses, and who are anxious to purchase these houses in order to acquire permanent homes for themselves. This committee could be of some assistance in bringing that matter to the attention of the government. It could deal with the problems that confront the administration in pursuing a policy for the sale of wartime houses to veterans.

I am not giving all my reasons why I think the committee should be re-established, because I am trying to be as brief as possible. I shall now touch on the question of unemployment which we shall have regardless of our veterans charter, the War Veterans Allowance Act, the old age pension and other social legislation. We have an increasing number of veterans at the age of 55 and upwards who find it difficult to obtain employment. The re-establishment of the committee would be well justified on that one item of business alone, namely, the consideration in detail of this very difficult problem which we must face, that is, the possibilities for employment for the veteran who is now finding it difficult to find employment owing to his age. These are all the remarks I wish to make at this time. I do hope the minister will give them his serious consideration.

Mr. Lennard: I rise to emphasize one or two points that I think would be of benefit to this committee. I concur in what hon. members have said this afternoon in regard to the necessity of our having a standing committee on veterans affairs. What is being done in this committee this afternoon could be done in a veterans affairs committee and it would not take up the time of the house. We have had the committee on several occasions, and when the items dealt with in that committee came to the house it took only the matter of an hour or so to dispose of them. These matters could be dealt with by a standing committee on veterans affairs. They could be threshed out there and it would be more satisfactory.

One or two matters were mentioned by other hon. members, and I should like to refer to them. The hon. member for Cape Breton South and the hon. member for Nanaimo mentioned small holdings under the Veterans Land Act. I have always thought that raising the small holding from half an acre to three acres was stupid. It has been always understood that the small holding was intended for a man who was occupied in an urban centre. It gave him some land on which he could have his own garden in addition to his home. From my personal experience I know that a quarter of an acre is all the land that a man can keep clear of weeds. I have done it for years and sometimes I have not made a good job of it. A kitchen garden of a quarter of an acre is all that a man can care for unless he has a full-time market garden, and then he would require five or ten acres. Therefore I think

the small holding should be reduced to half an acre, and that would be satisfactory to the veterans.

There is one other matter to which I should like to refer. Class 5 (a) of the veterans charter reads as follows:

> A former member of the forces who is in receipt of payment of pension, or who served in a theatre of actual war and was awarded pension, or who has not been awarded pension but gave meritorious service in a theatre of actual war . . .

If he is unable to look after any hospital bills on account of his financial standing, certain forms are completed, and if the man qualifies he is entitled to treatment. I am led to believe that until August 1 of this year these cases could be admitted in an emergency to civilian hospitals, if they were real emergencies, and later when they were able to travel they were transferred to Sunnybrook. I understand that on August 1 these regulations were changed. The patients could no longer be admitted to civilian hospitals except in a very great emergency and then they had to be transferred to Sunnybrook as soon as the acute stage had subsided. Previously the department provided transportation, either by train or, if necessary, by ambulance. I am informed that this has been done away with. In other words, a man has to provide transportation himself. One can readily see that a man may be taken ill in the vicinity of Sunnybrook, probably in Niagara Falls or in St. Catharines, and have an ambulance take him to Sunnybrook. That would cost in the neighbourhood of $50. Many could not afford that. I know of one instance where a man was hospitalized in a civilian hospital, and his physician thought he would not live. I understand however that his health is now improved to a point where he could be moved to Sunnybrook. The wife of this man was approached and she said they simply could not afford to have an ambulance. Under those circumstances the man would be denied the treatment he should have at that hospital.

I do not expect the minister to answer at this time. I have been in touch with the department, however, and I am assured he will give the matter every consideration. This is a hardship to which some have been subjected, and I feel they should not have been.

Mr. Green: Mr. Chairman, I should like to say a few words on this item because, if at this session there is to be no committee on veterans affairs, there may not be another opportunity to have a general review of the problems facing Canadian veterans.

In that connection my first suggestion would be to commend to the minister the recommendation made by practically every hon. member who has spoken thus far this afternoon, namely that there should be a committee of the house. The parliament elected in 1935 had a committee on veterans affairs in only one session. If I remember correctly—and the parliamentary assistant will correct me if I am wrong—in the parliament which was elected in 1940 we had again only one committee to consider veterans affairs generally. But in the last parliament committees sat in 1945, 1946 and 1948. No committee sat last spring, but one could not quarrel with that because of the shortness of the session. I would point out however that there was a committee in the fall session of 1945.

The minister and his parliamentary assistant, and all hon. members who have served on any of these committees, know that by their work the committees have been able to accomplish a great deal for the veterans of Canada. The spirit in those committees has been excellent. I do not believe there is another committee in the House of Commons with the same esprit de corps as that of a committee on veterans affairs. The members of those committees have been veterans, and have acquired a pretty thorough knowledge of veterans' problems. By and large, in so far as has been humanly possible, those committees have functioned without political bias.

The present position is that there are over a million young Canadians who have served in the forces of this nation, and they have thousands of dependents. Those are the figures for the last war only; in addition there are several hundred thousand who have survived from the first war. It is clear, then, that a large proportion of our population are vitally interested in veterans' problems, and no other committee could have more important work.

The hon. member for Yorkton has said that Canada's veterans legislation is better than that of any other country in the world, and that statement has been made on numerous occasions. The fact is that only two nations in the world have been in a position to afford first-class veterans legislation, and those two nations have been the United States and Canada. In some ways the legislation in the United States is better than ours, while in other respects the Canadian legislation excels. Therefore it is not accurate to say that Canada's veterans legislation is the best in the world. We are all glad it is as good as it is, but we would all like to see it better.

All parties in the house have done their full share to place this legislation on the statute books. I would point out to the members that veterans' problems will be coming

up continually; they will never be settled so long as there are any veterans living. I believe that now is the time to set up a standing committee of the house on veterans affairs.

There are two or three matters which I should like to bring to the attention of the members, the first of which has to do with the manner in which veterans who have passed away are buried. A great deal of care is being taken to see that veterans have decent burials. I realize that through the Last Post fund the department is doing its best to achieve that end. Only yesterday however I received word about a veteran who had served in my own 54th Kootenay battalion; this veteran was a pensioner who died of a heart attack two or three weeks ago in Vancouver; his death occurred on Saturday, and he was buried at nine o'clock on Monday morning with only a padre, one mourner and no pallbearers in attendance.

I believe the Department of Veterans Affairs might arrange to have one of their officials at Shaughnessy hospital get information in every case respecting the death of a veteran. Such information could be passed on to the battalion association involved. If there were no association in the city in question, the information could be passed on to a branch of the Legion. I am sure no veterans organization in Canada would want to have a fellow veteran buried in that manner.

Shaughnessy hospital is well organized, and the spirit shown by the staff is excellent. I have been much impressed by the good will created in the minds of the patients there. I am sure some arrangement could be made whereby, when a veteran dies in one of the larger cities, the information could be sent at once to officials of the Department of Veterans Affairs in that city, as a result of which arrangements could be made for a proper burial. Had my own battalion association known of that death, I am sure members would have been only too happy to attend and give their comrade a decent burial.

Mr. Mutch: Did he die in hospital?

Mr. Green: No, he dropped dead from a heart attack. There is just that small gap in the administration which might very easily be filled by the department.

I believe further that the time has come when provision should be made to give educational benefits to the children of those members of the forces who lost their lives. Some of those children are now reaching the age where they might attend university or take special vocational training. I am convinced they will not have the same opportunity in life they would have had if their fathers had returned. We have discussed this matter in veterans affairs committees on different occasions. The veterans organizations across the country are in favour of some such step being taken. I do not believe there is anybody in the house who would not approve of grants of that kind being made. I hope the department will give consideration to setting up some system whereby that kind of grant can be made available to the children of the men who did not come back.

I should like also to say a word or two about war veterans allowance. As the minister knows, the war veterans allowance was set up to provide for the front line soldier who was burnt out because he had been under fire. He could not establish that his disability was directly attributable to his service, and therefore he could not qualify for a pension, but it was felt that because of his service he was entitled to aid from the state. He was given the war veterans allowance, which is commonly referred to as the burnt-out pension. There was a certain honour and dignity about having that allowance. The veteran who got it felt that he was not getting relief. He felt he was getting something for his service. It was really remuneration for services rendered. All of us would like to keep it on that basis. Therefore I believe it is a great mistake for the department only to provide for additional benefits, over and above the statutory war veterans allowance, on the basis of the man showing that he has not any assets and that he cannot get along. In other words, it is being administered as a type of relief.

Let me give the minister an example. An old friend of mine was unable to get by. He was living in the interior of British Columbia. I made application on his behalf for an increase in the allowance. He had no other income and I thought he would be given either the full $10 a month or whatever amount it was decided should be paid. An investigator went up to look into his case. The chief difficulty of this applicant was that he was unable to afford clothing. The grant given to him was not a money grant; he was given so much to buy clothes. The war veterans allowance is being administered as a relief measure in the same way that relief was administered to small pensioners during the depression days. In my opinion it takes away from the recipient of war veterans allowance the feeling that he is getting something as a right, and because he had been a front-line soldier. He is put in the same category as if he had gone to the city and asked for relief. I do not think it is sound.

May I urge upon the minister that an amendment be introduced to increase the war veterans allowance from $40.41 to $50 for a single man, and at least to $85 for a married

man. A married recipient may receive only $70.83 now. I believe that is the maximum amount per month. He was getting $60 before and it was raised to a maximum of $70.83, just as the amount for a single man has been raised $10. I think that a married man should be allowed more than $70.83. The Legion has suggested $85. The present payment is not on a satisfactory basis.

Another unsatisfactory feature is that the increase is based on a yearly parliamentary grant. It is not written into the statute. A grant may be brought down and voted this year, and next year a grant may not be brought down. The increase should be written into the statute. In British Columbia the old age pensioners are now getting more than most of the war veterans allowance recipients. The veterans are being put in an inferior position. I have here a clipping from a publication issued by the department, the name of which I forget.

Mr. Gregg: "Veterans Affairs".

Mr. Green: The issue I have is dated July 1, 1949, and I point out to the minister that in it he is quoted as having said at Fort William:

> I made it quite clear at the Saskatoon convention that I felt that the government must keep some general relationship between war veterans allowance and old age pensions. I still maintain that stand.

Those are the minister's own words.

Mr. Gregg: I know that the hon. member wants to be fair. I do not know whether or not the rest of my remarks were quoted there, but whether or not they are I did go on to say that there were certain factors affecting war veterans allowance which did not apply to old age pensions in any province, namely, the payment of the allowance ten years earlier, the fact that it carried with it medical care and attention, and also the fact that a man could have his wife drawing the wife's allowance at age twenty-five, if he was married in time. Those are real factors on the credit side.

Mr. Green: Of course the difference in age is to compensate the veteran for his service.

Mr. Gregg: Burnt out.

Mr. Green: In reality it is the veteran's old age pension. As to hospitalization, old age pensioners in British Columbia receive hospitalization free of charge. They get just as much hospitalization as a veteran. That may not be true in all provinces but it is so in British Columbia. I suggest that the veteran should at least be on the same basis as the old age pensioner, and in the provinces of British Columbia and Alberta he is in an inferior position at the present time.

Mr. Gillis: And Saskatchewan.

Mr. Green: The hon. member for Cape Breton South says that is also true of Saskatchewan. I was not trying to overlook Saskatchewan.

Mr. Mutch: We will take that qualification on division.

Mr. Green: So much for the amount of the war veterans allowance. I was surprised to hear the hon. member for Yorkton speak as he did today about the question of paying war veterans allowance to imperial veterans. The Legion has requested that for many years, and the merits of the request are good. These men came to Canada shortly after the first great war. They gave up their rights to social security in Great Britain which were greater than they could get in Canada. They threw in their lot with us. In the recent war many of them served with our veterans guard. Their sons served with our sons. Nevertheless even the men who served in the veterans guard cannot qualify for the war veterans allowance unless they went out of Canada, and very few were able to do that.

I think it is generally admitted that they are Canadians and should be treated as such. No one has been asking that they be paid pensions. We are asking that they have the right to the war veterans allowance. Some of them served at Mons in 1914, and today their position is tragic. We have many of these men in British Columbia. If they become destitute they have to go on city relief. Before the election they were all told that a survey was being made of the whole question of the war veterans allowance for imperials, and I think we should be told at this session whether or not they will get that allowance.

Then finally I want to say a word about the Canadians who served in the merchant navy. To the man in the street, and indeed to everyone in this house, they were the fourth arm of the service; they lost a larger proportion of their numbers than any of the other three fighting services. During the war they were treated as one of the fighting services. I have before me the speech from the throne delivered on September 6, 1945. Of course we know this speech is drawn up by the Prime Minister, or at all events by the government; and it contains these words:

> Our country will ever remember with pride the heroic exploits of Canada's fighting men and merchant seamen.

I have in my files a dozen quotations from various ministers of the crown to the effect that the merchant seamen were the fourth arm of the service, and they should have been treated as belonging to the fighting services.

I believe the Minister of Veterans Affairs is of that opinion, together with his department. I do not blame the Department of Veterans Affairs for not having given these men the proper treatment, but I do blame the Department of Transport. Throughout the whole affair that department has adopted a heartless, merciless attitude toward these men who served in Canada's merchant navy, and I hope that during this session that situation will be remedied.

Many of these men have lost their health. I have in my hand a letter from a young lad who served in the Canadian merchant navy for five years, four of them during the war. Even now I think he is only twenty-two or twenty-three years old. He is lying in the provincial tuberculosis hospital at Jericho Beach, Vancouver, very ill with tuberculosis. He developed malaria and pneumonia in 1945 on a trip from the west coast of Africa to Philadelphia, where he was taken off the ship and placed in hospital. When he had recovered sufficiently to travel, he was sent back to Vancouver. There he was examined by the doctor of the manning pool, who insisted that he have an X-ray. That was done; and it now develops that when the X-ray was sent back it was accompanied by a report to the effect that he should have six months' rest. Instead of that, through some carelessness on the part of the medical men in Vancouver, that lad was sent back to sea. A little later it was found that he had a very serious case of tuberculosis, which dated back to his first illness. There is no justification for the government refusing to accept responsibility for this man. The last paragraph of the letter he wrote me reads:

> You cannot deny that the merchant navy did its share during the war. Why then the discrimination? In the same ward with me are two ex-service men who during the course of the war never left the province of British Columbia, yet are drawing a one hundred per cent pension, while I am being paid for my service at the rate of $3 a month. Does this seem fair to you?

Even that $3 per month is paid by the province. There is no justice here. The law should be amended to provide that these men are entitled to pension. In addition, they can get no educational benefits; they are not permitted to go to university. Until this spring they could only get vocational training if they intended to go back to sea; and Canada's merchant navy has been so reduced that there have been practically no openings for young men who want to follow the sea as a career. Yet they were unable to obtain training for anything else. Last December I believe an order in council was passed providing that they could obtain vocational training if they applied by the end of June and if they were under thirty years of age. That was a recommendation of the last veterans affairs committee, which in my view was an improper recommendation, I do not think the committee gave its usual thorough consideration to this question. To back up my statement may I tell the minister that I believe less than one-tenth of the men who have applied for that vocational training since the order in council passed last December have been able to qualify. The figures given to me in August showed that only 47 out of 518 applicants had been accepted for vocational training. I believe too that they cannot qualify unless they served on Canadian ships, although in some cases they were sent by the Canadian manning pools to serve on allied ships. Here again there is no justification for the treatment being meted out to these merchant navy lads.

Further they get no hospitalization unless they are pensioners, and very few have been able to qualify for pensions. They do not get the civil service preference. They are not entitled to business and professional loans. They cannot take up land or a small holding under the Veterans Land Act unless they are pensioners; and they are not permitted to get a house even in these subdivisions being built up by the government for veterans. They are not classed as veterans for that purpose.

I can only bring this matter to the attention of the house, but I suggest that this treatment being given the men of the merchant navy is sufficient reason for setting up a committee of this house. That question can only be gone into thoroughly in such a committee; and I do hope the minister will see to it not only that these different things are dealt with but also that a committee is set up at the present session.

Mr. Jones: The points I have to make this afternoon, Mr. Chairman, have been very well covered by the hon. members who have spoken already, including the hon. member for Vancouver-Quadra, the hon. member for Kamloops, the hon. member for Nanaimo, the hon. member for Cape Breton South and the hon. member for Kootenay West. However, there are certain matters one can always find to bring to the attention of the department that have been overlooked by others. For that reason, I should like to advocate the setting up of a committee on veterans affairs and adding to the scope of that committee matters dealing with the merchant navy. In common with the last speaker, I am firmly convinced that the merchant navy has been shabbily treated and some attention should be given to it by a committee.

The main subject in my brief speech is the British veteran who resides in this country. I realize that the problem of this veteran has not been dealt with to the satisfaction of the Canadian Legion. It is the feeling of the government that the British veteran is a newcomer to this country, even though he may have resided here twenty or thirty years. He is not regarded as a Canadian entitled to qualify for these benefits. Many of these veterans who served during the first war are now anywhere from fifty to seventy years of age and, naturally, pensionable cases. Most of them have to rely on the pension for their livelihood. I can assure hon. members of this house that the British pension when translated into Canadian funds was never sufficient to give a high standard of living, but now that devaluation has taken place that pension is totally inadequate. Many of these veterans have had to go on relief. I consider it undignified to pay a veteran who gave his services to his country some form of relief in addition to his pension. I cannot understand why the government, instead of giving him relief and a pension, cannot, by combining the two payments in one pension cheque, remove the indignity of forcing him to accept relief.

Formerly the imperial veterans cashed their pension cheques at a preferred rate. I cannot see why that procedure cannot be followed today. It may cost Canada a little money, but not a great deal, and that extra money would be spent in Canada anyway. At the same time, I should like to advocate the abolition of the means test. This subject has been well covered, but I do assure the minister it is a sore point with the veterans right across this country. Many of them have requested that I bring it to the attention of the house. I would say such a test is a violation of the trust we placed in those veterans. When they went overseas we promised them the very best and upon their return they find these pinpricks to annoy them.

These are a few of the reasons why this committee on veterans affairs should be set up. Many excellent suggestions have been made this afternoon and the logical and concise way of dealing with them would be through a committee which could recommend action on them. I realize there are possibly only two or three hundred veterans affected, but I should like to mention the student veterans in the United States. These veterans have also suffered from the devaluation of the Canadian dollar. A student receives approximately $60 per month which, after the ten per cent devaluation, nets him about $54. With the high cost of living in the United States, it is impossible for the veteran student to make ends meet.

Many of these students return to their home during the summer and earn a little money to assist them during the university term. It is generally conceded that the cost of living in the United States is much higher than in Canada. I would suggest to the minister that the veterans who are attending university in the United States be paid in United States currency or that the department make up the loss through devaluation. I say that, because the veterans who entered those universities were given the blessing of the department. I am satisfied that the government did the proper thing in giving these boys such an excellent opportunity. I know some students receive assistance from their parents, but some care should be taken to provide for those whose parents are not in a position to assist them. No student should be forced, because of financial need, to give up a course before he has completed it.

Two or three years ago the university of British Columbia had over four hundred medical students. When those students sought to continue their courses in Canada the veterans affairs committee did its utmost to place them, but found it impossible to place all of them. If I remember correctly, less than ten per cent were placed in Canada. Some went to China, some to South Africa and many to the United States. It is presumed that most of those students had high qualifications and will complete their course. Those boys having received the blessing of the Department of Veterans Affairs, I would plead with that department to see that they are given the opportunity of completing their course. It would not cost a great deal, since there are only two hundred involved.

One other matter I should like to mention concerns admittance to hospital. I am wondering whether the procedure could be simplified through the cutting of red tape. The veterans from the interior of British Columbia, for instance, who have reason to go to a hospital, have to go to Shaughnessy, and I was wondering whether arrangements could not be made to examine them locally. This would obviate the necessity of making the long, arduous journey to Vancouver merely for an examination. I would suggest to the department that this type of examination could very well be carried out at a local point near the veterans' homes.

In closing, I would urge the department to seriously reconsider its decision regarding the setting up of a veterans affairs committee and the giving of that committee the subject of merchant navy veterans for consideration as well.

Mr. Knowles: Before the minister speaks, Mr. Chairman, may I say a few words on one point. I shall not take the time to repeat the representations that have been made by other members because my support of a number of the points they have been urging is already on record. I felt it might not be amiss, however, for at least one non-veteran to participate in this discussion so that it would be clear that the rest of us are with the veterans in their concern for the best possible deal for their comrades.

I could illustrate the one point I have in mind by telling of an experience of mine a few months ago. I was asked by some friends to visit an old couple living on the third floor of a house in Winnipeg. It was not in my constituency, nor was it in the constituency of my hon. friend, the parliamentary assistant to the minister (Mr. Mutch); so that narrows it down quite a bit. Both these old people were in their seventies. The person who requested me to make the visit said it was felt the old couple should be receiving the old age pension. However, they had a great deal of pride and did not want to apply for the pension. In addition to that, the couple owned a few government bonds and they were under the impression they would have to sign them over to the government. For that reason they did not want to apply for the old age pension.

I came into the picture, as I say, because my friends thought possibly I would be able to persuade them that the old age pension arrangements were not quite as bad as they thought. I made the visit and made it known to the couple that my interest was simply that of trying to help them. During the first half hour that I spent with them I was met with an icy stare and refusal to apply for old age pensions. I was not going to give up as surrounding conditions made it obvious those people should have the pension. In due course, the old gentleman started talking about things in the past. He brought out a picture of himself taken many years ago in which he was wearing a uniform. That immediately brought to my mind the possibility that he would be able to qualify for war veterans allowance. I made that suggestion to him and you would have been amazed if you could have seen the different reaction I got from this old gentleman. He had not even known that there was something which, by virtue of his services as a veteran, he might be entitled to. That was a different story. His face brightened up and his whole conversation became much more free than it had been while I was trying to persuade him to apply for the old age pension. He began to discuss some details. That day he did not tell me, although he did later on, how much money he had in bonds. But at any rate, he was willing for me to turn his name in to the D.V.A. people down in the Commercial building in Winnipeg and for them to come to see him in order to ascertain if something could be done. As I say, if I had known at the time how much money he had, I would have known that this suggestion was not going to work. But I had to wait to find it out. When the D.V.A. people came from the Commercial building to see him and looked into his case, they found that he had too much in the way of liquid assets; and he was told that he would have to wait until he had dissipated—perhaps they did not use that word—or spent his liquid assets and they had got down to the point of about $1,700 or $1,800 before he could qualify for the war veterans allowance. This old gentleman made this known to me in a letter. I was disappointed, but I went to see him again. It so happened, to bring the story to a speedy conclusion, that making that application at least did the trick. They got into the frame of mind in which they were prepared to try and get something of what was coming to them, and I was then able to persuade them to put in their application for the old age pension. I pointed out to them that the old age pension authorities—and some of us think they are mean enough—would treat their liquid assets in a different manner. The old age pension authorities do not say: You must wait until your liquid assets are reduced to a certain amount. They say: We will give you a pension now, reduced by the computed value of the liquid assets that you have. It was only a matter of a few months until this old couple, who had been living on an amount so small that I do not know how they got by, received an old age pension making up the difference between the computed value of their liquid assets and the ceiling of $90 per month.

Mr. Mutch: That is, the computed annuity value.

Mr. Knowles: That is right; the difference between the computed annuity value of the amount they had in Canadian government bonds and the $90 ceiling. The amount of old age pension which this old couple were able to get was in excess of the total of what they had been living on for I do not know how long. That particular story came out quite nicely. But the reason I am telling it and the point I am trying to impress on the minister is that—and it is in line with arguments that have been made here before—in many respects the burnt-out pension is inferior to the old age pension. That is one point as to which it seems to me a change ought to be made. I go the whole way with

the suggestions that have been made by other members. But it is soon discovered around here, and the hon. member for Yorkton will discover it too, that you must get these things by pressing for them step by step. Surely that is one step that could be taken, namely, that a change could be made in the means test provision with respect to the burnt-out pension so that the liquid assets that a veteran holds will be treated in the same way as they are treated in the case of the old age pension. I hope that change at least might be made.

Mr. MacInnis: As all the members of the committee seem to be laying their grievances on the doorstep of the Minister of Veterans Affairs, and as a great many of them have to do with the war veterans allowance, I might as well put mine on the minister's doorstep also. The case that I wish to bring to his attention seems to be a particularly hard one. It is that of an old couple. The wife of the pensioner is now sixty-eight years of age. Her husband was in receipt of the war veterans allowance for I do not know how long back. In 1942 or 1943, when there was a great demand for workers, she took a position in a laundry as a seamstress. Evidently they did not report her earnings to the war veterans allowance board until the authorities found it out some three, four or five years afterwards. In any case, when they did find it out, because of the earnings of the wife there had been an overpayment to this man from the war veterans allowance board of something over $2,600. The board then notified them that they would discontinue his war veterans allowance until the amount would be paid. He was also getting a small disability pension, and they were wanting him to sign that over as well.

Not being a veteran, I admit that I do not know as much about the regulations and the legislation on the matter as do some of the other members on all sides of the house who can speak from experience. But I did know that they could not touch his disability benefit and I told him not to sign it over. I think that was about a year ago. Shortly before I came down here for this session, this man's wife got in touch with me again, saying that they were at their wits' end. The disability pension was $31.25. She had stopped working in the laundry, and that has been their total income for several months, or perhaps a year or more. She appealed to the municipality for assistance and received it for a couple of months. She had to tell her story and they got in touch with the D.V.A. in Vancouver, with the result that the municipal assistance stopped as well. I wrote to the chairman of the war veterans allowance board under date of July 23, and I am just going to quote a brief paragraph from the letter I received in reply. He referred to the man's file and said:

> On perusing same I find that a large overpayment has accumulated over a period of years due to concealment of income and wilful misrepresentations on his part.
>
> The matter of recovery of this debt due to the crown was placed in the hands of the Department of Justice a few months ago, and until the matter is cleared up from this angle the board can take no further action towards the reinstatement of the allowance.

If I have figured it out right, the date when they stopped the allowance was February, 1947. If this man had committed a crime, surely they should have taken criminal action against him long ago; because I imagine it is a matter for criminal action, unless it is one for an action for small debt. I do not know just which it is. I am not at all condoning the concealment of the income that was made, although I think that when a woman at the age of sixty-two or sixty-three goes out to earn a little money, she is entitled to it. As a matter of fact, she told me how it was spent. It was spent in paying accumulated grocery debts, in shingling the roof of what she said was the shack in which they were living, in getting dental work done and various other things.

I suggested to the war veterans allowance board that since it was impossible for these people to live on $31.25 a month they should certainly give them a war veterans allowance in order to enable them to live, because it is quite apparent that they will not get any municipal assistance. This is a deplorable situation, and from what I have heard today it is quite apparent that it is not the only one. I suggest that these people be treated more humanely and that at least their economic situation at the moment be taken into consideration. If this man is taken to court, if the Department of Justice gives that advice, if he is sent to jail, and if he has no other way to pay—they cannot fine him because he cannot pay—he will be looked after in jail and perhaps his wife can get along better on his disability pension. I assume that that would be paid in any case. Surely that is not a civilized way to deal with these cases. I would plead with the Minister of Veterans Affairs to see that he try to deal with these cases more in the line of civilized human behaviour.

Mr. Blackmore: What measures, if any, is the department taking to make up to imperial war veterans the losses which they are sustaining in their income from Britain because of the reduction in the value of the pound? I have a representation on that matter. It is a serious matter.

Mr. Gregg: May I ask the hon. member for Vancouver East (Mr. MacInnis) to bring to my attention the case which he has cited?

Mr. MacInnis: I shall do that.

Mr. Gregg: In reply to the question which has just been asked, may I say that my department is taking no steps with regard to that matter except this. Quite naturally, since the British ministry of pensions have a very active office in Ottawa, I have spoken to the head of that office regarding that matter, and he has spoken to me about it. I know very well that he has, as I have, received representations from pensioners from the United Kingdom in all parts of Canada. He has told me, and he said that I was at liberty to use it, that he has brought these representations to the attention of the ministry in London. Beyond that we have done nothing in the matter.

Mr. Blackmore: Does not the minister think that something ought to be done for these people? We know the position that Britain is in. It looks to me as if we are to have in a small way something like that which the hon. member for Vancouver East has pointed out. We shall have people actually suffering in Canada because of events over which they have not even the slightest control.

Mr. Gregg: I fully realize the difficulty. There is of course the very distinct priority of responsibility in these matters. One of the speakers this afternoon pointed out the difficulty that Canadian students were experiencing in the United States owing to the adjustment of exchange rates as between Canada and the United States. But there again that is not the whole problem with regard to our own veterans. Approximately there are two hundred such students, but side by side with them there are about 7,000 Canadian disability pensioners of both wars resident in the United States. The same situation applies to them as applies to the smaller number of students. One could go on and quote many direct and indirect effects of this adjustment of currency but I do not feel that we have any greater responsibility in making adjustment with those from the United Kingdom who are pensioners in Canada than the United States has in making an adjustment for our pensioners who are resident in the United States. I wish it were otherwise. That is all I can say on it at the present time.

I am sure that hon. gentlemen who have spoken this afternoon would not expect me to attempt to cover all the points raised. I bespeak a chance for either my parliamentary assistant or myself to go into full details which we shall try to do before the estimates are passed. We shall try to deal with all the questions brought up.

With the exception of two or three speakers, all who have spoken this afternoon have made strong representations on behalf of either a standing committee or a special committee on veterans affairs. I should like to say a word about that. As the hon. member for Vancouver-Quadra pointed out, between 1943 and 1946, before I came into the house, the house had to consider some 21 pieces of new legislation for the benefit of new veterans from 1939 to 1945. It is only natural that there should be a great deal of intensified work done on that legislation in drafting it, in calling witnesses from all parts of Canada from many organizations, and in working it out. Frankly, as I look at it, and I never had any part in it, I say it must have been a tremendous task. But as I see it, and as I read the records, it appears to me that it was dealing almost entirely with new legislation.

In 1948 the government brought forward some amendments to two of these bills which had become law, namely, the Pension Act and the War Veterans Allowance Act. As well there were some other acts for minor amendments. A special committee was set up for the purpose of considering that legislation. That committee sat and, from my observation, it is worthy of all the good words that have been said about it this afternoon. It did an excellent job, and as one hon. member so well put it this afternoon, as far as was humanly possible, it was free of partisan politics. They presented their report. I cannot agree with one speaker who said today that not many of these recommendations had been accepted, because most of them were; nevertheless the factors entering into the report had to do mainly with the legislation that had been brought before it. It is true that it did discuss such matters as a further increase in war veterans allowances, the merchant marine and many others, but what I am coming to is this. We should clarify our thoughts as to whether a parliamentary committee, whether a special committee or some other, should be called upon to check on other matters in addition to legislation or amendments to come before the house. I am not going to express an opinion on that at this particular time. All that I am going to say is that there are a number of committees suggested to the government now. There is a resolution on the order paper suggesting the setting up of a committee on social security, housing and health and welfare. It is proposed that there should be a committee

on national defence, on atomic control and on many other questions.

I know that the matter of committees in general, as it was put by the hon. member for Kamloops, should receive careful study, so as to get the greatest value from these committees. I think I can assure this committee that the government will give that study. I do not propose at this particular time, to recommend to my colleagues that a committee be set up at this fall session. Beyond that I am not prepared to go, with regard to committees.

May I, though, between now and six o'clock, touch at random upon one or two points which have been brought out. Two hon. members who spoke referred to the old soldier settlement board, and the remaining amounts owing to the board by veterans who have held lands these many years. I know well the arguments made in later years on behalf of those settlers—and strong arguments they are, there can be no question.

I believe however, as I indicated at the final meeting of the committee a year ago, that it boils down to this. Members who knew some of those settlers will remember that there were many of them who conscientiously made their payments of principal and interest just as regularly as it was possible for them to do. If they did not do it, it was because they could not do it. Most of them, long before this year of 1949, have fulfilled their contracts and obtained title by grinding through, paying their debts and getting their work done. I believe it is also true to say that there are a number who, through those years, perhaps could have made their annual payments, but did not do so. Representatives of the board allowed those to run on, and at the present time they are shown as outstanding accounts.

Putting it on that simple basis, I am wondering whether or not if last year or the year before we had said, or this year we were to say, "We will cut off all the rest and call it a day" it would be the fair thing to do. It sounds like an excellent thing to do, but would we not be bonusing—I was going to say something else—would we not be bonusing delay in paying one's bills when one can pay them? Perhaps, too, it might be a negative influence, by example, to those new veterans who are coming in under the Veterans Land Act.

I happen to know—and I shall take full responsibility for it, because I am speaking about my own constituency—of an old veteran who under the soldier settlement board came within the second category I mentioned a moment ago. Across the fence, on the next farm, there came a veteran of the second world war who married, settled down and started in there. I know for a fact that, across the fence, the old timer said, whispering behind his hand, "Take it easy, my boy; at the other end you will be forgiven, the same as I am."

The amount placed in the estimates a year ago, and which is repeated this year, is in my opinion accomplishing the same thing more slowly but in a much better way. The hon. member for Battle River asked some questions which were made an order for return. I tabled the return today. His questions, and the answers to them, were as follows:

He asked first how many soldier settlers of great war I are still in debt to the soldier settlement board? His question was taken to mean September 30, the last date for which we have records, and the answer was that 1,950 are still in debt to the director of soldier settlement.

In his second question he asked the total amount of their indebtedness, and the answer showed an amount of $2,231,881.22.

The third question asked how many had paid off their loans and acquired clear titles since January 1, 1948. The reply was that there were 1,039.

The fourth question asked whether any reductions in debt had been granted during 1948 and 1949, and the reply was that there had been.

The fifth question asked, "If so, in how many cases, and what is the total amount of such reductions?" The answer was that there were 496 cases, to an amount of $182,515.83.

The last question asked as to (a) the smallest and (b) the largest reduction granted. The reply showed that the smallest was $18.25 and the largest $1,998.13.

From these answers it is apparent that even in a year and a bit we have been able to eliminate or to end the debt for a total of 496 old settlers. I hope that this year and perhaps next year the main task may be completed, and that the indebtedness of those who should be forgiven will be wiped off in that time.

Item stands.

Progress reported.

Mr. Gregg: At eight o'clock we will carry on with public bills and orders for the first hour.

Mr. Green: Will we proceed with veterans affairs estimates at nine o'clock?

Mr. Gregg: Yes.

At six o'clock the house took recess.

Criminal Code

AFTER RECESS

The house resumed at eight o'clock.

CRIMINAL CODE

PORTRAYAL OF CRIMES BY PICTURES IN MAGAZINES, ETC., TENDING TO INDUCE VIOLENCE

The house resumed from Thursday, October 6, consideration of the motion of Mr. Fulton for the second reading of Bill No. 10, to amend the Criminal Code (portrayal of crimes).

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, I should like to say a few words on the bill this evening. I am glad that the Prime Minister (Mr. St. Laurent) is able to be here because I am sure he is much interested in the measure, and in the final analysis we shall have to look to him for help in having the bill put through the house.

I should like to point out that on the second reading of the bill we are only dealing with the principle, which is in effect that there should be an amendment to the Criminal Code making it a crime to print, publish, sell or distribute magazines commonly known as crime comics. So far in the debate every member who has spoken has been in favour of that principle. I was particularly struck by the speeches made by new members of the house. Several of them made their maiden speeches on this measure, and I thought that each of such speeches was excellent. It seemed to me that we were witnessing the house at its very best. It made one proud to be a member of the twenty-first parliament.

I believe the opinions expressed by the speakers who have taken part in the debate reflect the views of the Canadian people at large. No doubt most members have had representations from parent-teacher associations which, of course, are vitally interested in problems of this kind. There have also been representations from the national council of women and from the various Kiwanis clubs, which do such wonderful service work in all parts of the nation. In addition I have had representations from the university women's club of Vancouver who are very anxious that something should be done about the situation. Perhaps more important than all others, however, have been the representations from parents.

While the debate was in progress last night I received a letter from a mother in Vancouver who, by the way, is the daughter of a distinguished Canadian authoress, and I thought that she put the situation very clearly. She had heard over the radio of the debate which took place last Tuesday evening, and she sat down and wrote a letter. It reads in part:

> I know you are as anxious as any conscientious parent to see our Canadian children rescued from the evil effects of these criminal immoral magazines. I believe a big house-cleaning of our magazine and paper-back 25-cent books is overdue. We busy ourselves building youth centres, working in church to show our young people the guide posts to clean living, and all the time this stream of filthy books is allowed to come into our country.

In Canada we place as high a value on education as is done in any other country in the world. I believe that the same thing can be said about Scotland, and possibly other countries as well. Certainly every decent Canadian parent has as his or her first concern giving the children a start in life by seeing that they get a good education. I think that is typically Canadian. Parliament recognized the importance of children by enacting the family allowances legislation a few years ago. We place great value on pure food. We have many laws to make certain that nobody is given impure food. We show great determination in stamping out the drug traffic. I remember a few years ago the hon. member for Quebec South (Mr. Power), who was then minister of pensions and health, making a strong speech in the house on the dangers of marijuana, the use of which at that time was becoming quite prevalent in parts of Canada. We take drastic steps in other fields, and yet we do nothing about this character poison. That is a good description for the crime comics.

We are all in favour of the principle of the bill, and I hope it will be passed. Once the bill is on the statute books it will be a strong deterrent and a warning to publishers all over Canada, and to the people who import these books from the United States, that they will be in trouble if they do not stop this traffic.

There is some suggestion that the bill may not be worded in exactly the right way. Actually the bill in its present form was not drawn by the hon. member for Kamloops (Mr. Fulton). It is in a form suggested by the Right Hon. Mr. Ilsley when he was minister of justice. We could not have a finer authority on the wording of the bill. If it is not exactly right now it can be amended in committee. The point is that we are debating the principle of the bill, and I hope that the house will give it second reading.

Further, I hope there will be no delay. I am worried about that because of what happened to the bill amending the Criminal Code introduced by the hon. member for Broadview (Mr. Church) the other night. He had some good amendments although, mind you, I agree with the step taken by the

Minister of Justice (Mr. Garson) when he said he would have the bill turned over to the commission revising the Criminal Code.

That was the proper step to take with that particular bill, but I am afraid that the Minister of Justice will come into the house, as soon as he is well again, and say that he is going to refer the present bill to the commission revising the Criminal Code. If that is done it will mean that the bill may not become law for a year. There will be no provision made at this session, and possibly not at the next session. A delay means not only an outpouring of more of this poison, but probably a speeding up of the process. The publishers of these magazines have a good thing. They are making money, and if they see they are going to have another six months or another year they are very apt to get out more of these comics and try to increase the circulation in order to cash in before it is too late.

Therefore I urge all members of the house, and particularly the Prime Minister, to realize the importance of prompt action on this particular measure. I suggest that we show the publishers of this junk that the House of Commons means business.

Mr. W. J. Browne (St. John's West): I should like to join other hon. members in complimenting the hon. member for Kamloops (Mr. Fulton) on his initiative in bringing forward a bill of this kind. It seems to me that the most interesting subjects are brought up by private members, who also seem to win the approval of hon. members representing all parties in the house. It is interesting to find a discussion taking place on such a high moral plane as this one, and in this materialistic age it is consoling to find people so concerned about matters affecting the morals of our young people.

We are all in agreement as to the danger to the character of the youth of the land when their minds are poisoned by large doses of this evil kind of literature. Everyone feels that something should be done about it, but it is the hon. member for Kamloops who has brought forward this bill. Nevertheless I am wondering if he is going to accomplish what he has in mind by the amendment he proposes, and in support of that idea may I draw upon my experience as a judge in Newfoundland, as one who was especially interested in the problems of juvenile delinquency. For many years I took a special interest in that subject; and I am aware, as many hon. members have stated, that such books do have a certain effect upon the minds of young people. I think perhaps some are inclined to exaggerate that effect, and I doubt if they have as much effect as people think. However, they do have an effect upon young persons of weak minds or who, through bad associations, are prone to fall victims to the temptations which come to them through reading literature of that sort.

Two things, the movies and the comics, sometimes have a strong effect upon the minds of individuals; and I can recall several cases that came to my attention which in their way were really tragic. One was the case of a boy of good parentage who was before me on six charges of breaking and entering. He was only sixteen years of age. He told me that he had read about this in the comic books and that was how he came to go in for that sort of thing. I am glad to say that, later, when he became more mature, he turned out to be a good citizen. Another great tragedy occurred as the result of a boy seeing a hanging in a movie. He went home and experimented with a rope, and as a result killed himself. So there is no doubt that there are evil effects from both the movies and literature like these comics.

When one goes into a bookstore nowadays where magazines are displayed in great profusion, it seems to me they fall into three classes. There are the newspapers, which I suppose are the least harmful of all the literature displayed today. There are the magazines, which are in two classes: the kind dealing with economic and political subjects, and the kind dealing with true stories, true confessions, and that sort of thing. Then we have the comics. The children are interested only in the comics; but when an adult goes to a newsstand and sees the sort of picture magazines that are on display, he is ashamed to pick one up. I always consider it a reliable criterion of the sort of book that should not be permitted if it is the kind you are ashamed to let anyone, even a stranger, see you read.

We have been in confederation since April 1. One of the effects or results of confederation—I do not think it was intended by the Liberal party—has been to open the door to the sort of literature we are denouncing tonight. When we were more or less independent we had customs prohibitions which prevented these magazines from coming in, and the police and customs officials working together managed to keep out a great many of them. During the past summer, however, the country was flooded with magazines published in Toronto which were delivered through the post gratis. One day the assistant chief of police came to me in my office and said, "I don't know what I am going to do about these magazines. Everybody is complaining about them." I said, "I know what I am going to do; I am going to call the secretary for posts." I immediately

called him and said, "Is it not an offence in Canada for this sort of literature to be sent through the mails?" He replied that it was. I told him what was happening, and he said he would take immediate steps to have it stopped.

As I read the section proposed by the hon. member, I understand that an offender is to be tried by a judge and jury. If that is not so, perhaps the hon. member will correct me.

Mr. Fulton: By indictment.

Mr. Browne (St. John's West): It seems to me that procedure is too elaborate, and that this offence should be dealt with on summary conviction, or by ordinary summary trial. It also seems to me that if these magazines are imported from the United States the customs and postal authorities should be able to stop them, when they come within the category of books which are injurious to morals. If on the other hand they are published in this country the amendment to the act should give the police power to go in and take possession, by means of a warrant, of course, and the distributor should be dealt with by summary trial. If there is to be a trial by jury it is so long before the case is heard, and then when it comes up, with clever lawyers and that sort of thing, technicalities are likely to prevent the realization of what we have in mind, which is a procedure that will be summary and quick.

I do not intend to continue my comments at any great length, but there is one thing I should like to add. In Newfoundland we tried the interesting experiment of having a great public library system, furnished without cost by the government. For years we have had a libraries board which has been broadcasting programs about books and reading all over the country. We have twenty-seven or twenty-eight regional libraries all over Newfoundland, each with books especially chosen for children. I think my hon. friends opposite who come from Newfoundland will bear with me when I say that this comic book evil rarely reached the outports of Newfoundland but is confined to the city of St. John's and two or three of the larger places such as Corner Brook, Grand Falls and Bell Island. It does not reach into the smaller settlements, thank God. Instead of the comic books, therefore, we have the other books which are carefully chosen by the special selection committee of the libraries board. We have attacked the problem in that way; and in our public library in St. John's, where we have a large selection of good children's books of all kinds, those books are used extensively and it has been a great success. I believe the existence of the public library system has helped a great deal in mitigating the evil to which reference has been made here.

As hon. members have suggested, I believe the practical approach to the problem consists in placing good literature before the boys and girls and stressing it continuously in radio programs and articles in the press. This will probably do as much as, if not more than, legislation of the sort suggested in this bill. At the same time, however, when an obvious evil exists I believe it is the duty of parliament to put it down by some statutory enactment.

On motion of Mr. Cardiff, the debate was adjourned.

SUPPLY

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

DEPARTMENT OF VETERANS AFFAIRS

526. Departmental administration, $2,157,024.

Mr. Gregg: Mr. Chairman, if the committee agrees, we might proceed item by item and as we come to the proper items I shall attempt to cover those points raised in the debate this afternoon.

Before doing so, however, and to complete what I was saying before the recess about the question raised by the member for Acadia (Mr. Quelch) regarding the steps taken to adjust old debts and clear titles, may I say that matter will receive the careful consideration of the deputy minister and the director of the soldier settlement board.

Item agreed to.

527. District administration, $2,945,528.

Mr. Green: I should like to ask the minister about the Veterans Business and Professional Loans Act. The annual report concerning this act for the fiscal year ending March 31, 1949, shows that there have been loans totalling $7,517,879.85; of that amount nearly half or $3,372,754.87 has been repaid. I believe this is a splendid record. The report also shows that only 34 claims have been defaulted, amounting to $36,686.05. Those figures reflect great credit on the veterans.

There is nothing in the report, however, to show the number of applications for loans which were turned down. Could the minister supply that information?

Mr. Gregg: The total number of applications not approved for the purchase of a business amounts to fourteen; for the purchase of an interest in a partnership, five; for the purchase of tools and equipment, three; for repairing tools and equipment, etc., one; for the construction and repair of buildings, five; for the purchase of a motorized

unit, seven. This makes a total of thirty-five in all categories which were not approved.

Mr. Green: Has there been any demand for loans by veterans who wish to buy into a private company? As the law reads now a veteran can only buy into a partnership.

Mr. Gregg: None have come to my attention. All applications so far could be covered by the purchase into a partnership.

Item agreed to.

528. Veterans welfare services (formerly rehabilitation services), $3,686,711.

Mr. Pearkes: There are one or two questions I should like to ask about this item. First, I believe an order in council was passed a few days ago amending the rehabilitation act so that personnel in hospitals would receive training allowances or something of that nature. Could the minister explain what those changes mean? I believe the order in council was dated September 28, 1949.

The second point is concerned with the transfer from university training to vocational training and vice versa. I believe there was a deadline set when applications for transfer from one type of training to the other had to be made. I think it was within six months of the termination of the course. Some people did not receive any notice about that deadline. The only notices which were sent out appeared in the newspapers and, quite obviously, many veterans would miss them. People who were travelling or who lived in isolated parts of the country would not see such a notice. Would the minister consider extending that deadline in cases where a recommendation was made, perhaps by the president of the university or the principal of the vocational training course concerned, so that the men who had given up hope of being able to transfer from vocational training to university might still be able to take advantage of that amendment. They would then be able to continue a course which, perhaps, they had given up because they saw no opportunity of following the line of rehabilitation they particularly desired.

I have in mind men who were taking a course in carpentry who felt they would like to go farther and take a course in architecture at a university. When we are dealing with this item, would the minister answer the questions which were directed to him before the recess regarding the rehabilitation of the men who served in the merchant navy?

Mr. Gregg: On the first point, Mr. Chairman, may I say that I have not a copy of that order in council before me. I shall bring it with me at some later date when these estimates are being considered. On the question of the changeover of training, and the arrangements that were made to make that more flexible, I can say now that if a given veteran, through circumstances beyond his control, did not get the information with regard to that change in time to get in under the dateline, then the matter will certainly be taken into consideration to see that he does not suffer on that account. I doubt whether there is anything I can add tonight with respect to the matter that was discussed before the parliamentary committee and at the last session with regard to the merchant marine. As was pointed out this afternoon, the committee at that time recommended that the younger men who served in the merchant marine should be given the opportunity for vocational training in addition to training in their own business at sea. It was pointed out that at our seaports on each coast some of these young men were not working but were hanging around and being subjected to subversive influences; and it was suggested that it would be a good thing if they could be allowed to take vocational training in the same way as those who had served in the armed forces.

This matter was considered by the government, and the Department of Transport arranged that this be done, going through my department; the training was carried on in conjunction with the vocational training centres of the province in the same way as it was carried on with the veterans. More recently representations have been made, to the same effect as those that were made this afternoon, that the age of thirty was considered too young. Many of these men had already gone beyond that age and still were not permanently employed. On behalf of the Minister of Transport I think I can state that the matter will be carefully considered in view of what was said this afternoon.

Mr. Lennard: There is one matter that I should again like to bring to the attention of the minister, namely, the plight of one group of the auxiliary services that I feel have had a shabby deal. I refer to the Red Cross girls. As the minister well knows, they did not get even a clothing allowance when they came back to Canada. As a result of the small amount of remuneration received, and on which they had to live while overseas, when they came out of the service they had nothing. I wish the minister would give serious consideration to this matter.

Mr. Wright: I should like to ask the minister to give the committee a short explanation of the position of a Newfoundland veteran now coming under the veterans legislation with respect to vocational training. Will his rights for vocational training have lapsed

before the act came into force in Newfoundland or will he have some retroactive rights to training?

Mr. Gregg: As all hon. members know, including those from Newfoundland, veterans in Newfoundland are in all respects now in receipt of the benefits under the veterans charter in the same manner as though Newfoundland had been a part of Canada at the time of demobilization. I think that is a fair statement. To refer to vocational training and university training, I may say that in all parts of Canada at the present time the main body of veterans have had their training. As to university training, Newfoundland had a plan of their own. They also had a plan for vocational training. It was somewhat different from ours, but it was a good plan. Some of these veterans were in receipt of training when union took place. My department took them over and carried them on under our rights until they finished their particular training, whether it was vocational or university training.

Mr. Applewhaite: Before this item is passed, I think utterance should be given to a word of commendation of a certain type of public servant. We are free, and properly so, to criticize where criticism is due; and I think we should give praise where praise is due. I refer to the type commonly known in the small towns as the D.V.A. representative. I believe that later on he was attached to the Department of Labour but he originally came to towns the size of mine as a D.V.A. representative. I should like to say to the minister that in those places with which I am familiar these men have done a job which it is impossible to extol too highly. The veterans of all services—even veterans who politically have no use for this government, and many who have not much use for the economic system under which we live—are all loud in their praise of the D.V.A. local representative who had assisted in matters such as employment, the Veterans Land Act, loans and so on. I think that some of us—and I am glad to do so—should publicly express our appreciation of the work these men have done on behalf of all veterans.

Mr. Gregg: It gives me great pleasure to direct those welcome remarks to my colleague the Minister of Labour, inasmuch as this official who has just been spoken of is in reality an employee of the offices of the national employment service across Canada. It is true that some of them did happen to serve previously in the Department of Veterans Affairs. To what has been said I should like to add that, in every centre of Canada where there is an office of the Department of Veterans Affairs and also an office of the national employment service, I believe the closest liaison and co-operation have been carried out in order to obtain employment for our veterans.

Mr. Quelch: Can the minister give the number of persons on the staff and the number of patients at the health and occupational centre at Billings Bridge?

Mr. Gregg: That was the subject of an order for return, Mr. Chairman. Was the hon. member's question with reference to all of them or just with reference to the one?

Mr. Quelch: Just the one.

Mr. Gregg: In the Rideau health and occupational centre there are 118 patients at the present time.

Mr. Quelch: What is the number of persons on the staff?

Mr. Mutch: That information was tabled in an order for return the other day. I will try to find it.

Mr. Gregg: I will get that information for the hon. member in a few minutes.

Mr. Green: The minister stated that further consideration will be given to a change in the provision under which a merchant seaman gets vocational training. Can he explain to the committee just how the authority is divided on that question between the Department of Transport and the Department of Veterans Affairs? I have just recently had the case of a merchant seaman brought to my attention. Of course he is unable to get university training. Nevertheless, he has gone to university and requires only one more year to get the degree of bachelor of commerce. In the meantime he has applied for vocational training in the way of articling to a chartered accountant. After graduating from university he proposes to take up chartered accountancy. He could get that vocational training from the Department of Transport, but they say that if he is to get it he must start in right away with his articles. Obviously it is foolish for him not to finish his course at the university. The Department of Transport refuses to give him a year's extension on the vocational training. I do not think that is right. The Department of Veterans Affairs is obviously quite willing to let him have that extension. The minister's own department obviously believes that this lad should be allowed to finish his course at university and then get the vocational training but the Department of Transport officials are making an arbitrary ruling that they will not give him that vocational training unless he leaves university to commence his articles. There is a division of authority which is unfortunate. I suggest that the Department

of Veterans Affairs be given full authority to deal with these applications. I can see that the establishing of his service in the merchant navy would be done through the Department of Transport but once he had established that service, why not let the Department of Veterans Affairs take over from then on? The way it is now these lads are not getting a fair deal.

Further, does the minister not think that the merchant navy men should now be allowed to get educational training as well as vocational training? In the meantime many of them have paid their own way through perhaps two or three years but they are still in university. It is a shame that they have not had that educational help.

Mr. Gregg: I will answer the last question first by saying that a parliamentary committee composed of many minds did not recommend the university training and it has not been put into effect. To answer the other question, in their service with the merchant marine these men were under the Department of Transport. If the occasion should arise and the merchant navy were ever increased again, I presume the same situation would exist. It is also true that the Department of Transport have all the records available regarding these men; we have not.

Mr. Green: Regarding their service?

Mr. Gregg: Regarding their service in the merchant navy. Consequently it seemed sound, and I think it is, to have their applications made to the Department of Transport. If by chance they came to my department or to the district offices they were routed through the Department of Transport to decide upon their eligibility under the terms that had been laid down. After that had been decided upon and they were accepted for training they were sent on to the Department of Veterans Affairs to carry on their vocational training in the regular vocational training courses throughout the districts. As to responsibility during that stage, we have looked upon it as a joint one. If my hon. friend feels that injustices have been done in individual cases I know that my colleague, the Minister of Transport, would be glad to discuss it with him, as I would be.

Mr. Green: I would rather discuss it with you.

Mr. Mutch: May I answer the question asked a moment ago with respect to the Rideau hospital? The staff is 103; the potential patient capacity is 175. At the time the return was made a week ago there were 118 patients in the hospital.

Item agreed to.

529. Treatment services, $34,478,808.

Mr. Harkness: I should like to ask the minister two or three questions in connection with the scale of fees charged to veterans who are not eligible for free hospitalization in the departmental hospitals. Hon. members will recall that a considerable amount of discussion took place on this last spring or the year before, and a number of cases were brought up that have frequently been charged up to $9 a day for care in one of the departmental hospitals. What is the average of fees now being charged? Has there been any change during the last year? If not, is any change contemplated? As the minister knows, so far as hospital accommodation is concerned, in many places it is very difficult. If those fees were charged at any time with the idea in mind of not competing with private hospitals, it certainly does not apply to many places at the present time. Frequently the only hospital that a veteran is able to get into is a veterans hospital. No beds are vacant in the ordinary hospitals in the places in which the veterans happen to live. Whatever charge is made, if it is necessary to make a charge to the veteran who can afford it I quite agree with it; but the veteran who is not able to afford it is in a different position. In any event, if he has to be charged, the charge ought to be made as low as possible to cover whatever extra cost is necessary to hospitalize that veteran in a bed which perhaps otherwise would not be occupied.

Mr. Gregg: Fees are sometimes referred to as merely the matter of bed and board within the hospital. Then there is the larger service of the bed and board within the hospital, medical service, X-rays and so forth which come under an all-inclusive rate, including everything within the hospital. That averages $9.75.

Mr. Pearkes: Does that all-inclusive rate include surgical operations?

Mr. Gregg: Yes, everything.

Mr. Harkness: Has there been any change in the rate in the last year? Is that the same rate that has been in effect more or less since the beginning?

Mr. Gregg: The average has increased by 75 cents. It has increased from $9 to $9.75 in the last year.

Mr. Harkness: Can the minister tell us what the basis of that is? Why is it necessary to charge $9.75, which I think he will realize is beyond the means of a large number of veterans? Their incomes just do not warrant a cost of $9.75 a day for hospitalization.

Mr. Gregg: I assure the hon. member that a profit is not being made. It is considered to be not greater than the cost, and I am informed that a number of civilian hospitals charge more than that rate.

Mr. Harkness: I can quite believe that a number of civilian hospitals may charge more. The point I am getting at is this. The hospital is there in operation, and if this bed were not being occupied by the veteran who is not entitled to free hospital treatment, in practically all cases it would not be occupied at all, because these people get in only if the veterans who are entitled to hospitalization have not filled the hospital. The rate, I take it, is based on the total cost of running the hospital. Whether it includes depreciation on the capital invested I do not know, but I would take it that that is so. If that is so, I would suggest that it is not necessary; that the hospitalization of these veterans, particularly those of limited means, could be done on a very much smaller fee than would be charged in the ordinary hospital.

Mr. Gregg: I can assure the hon. member that there is no amount tucked in that $9.75 to cover capital investment. The other point which I probably should make clear is that we are not able to have a non-veteran who is not eligible for treatment come in as a patient. Those who are charged that amount are veterans sent to our hospitals by such organizations as provincial or municipal governments, or organizations such as the Canadian paraplegic association, and others who pay the amount on behalf of the veteran patient.

Mr. Harkness: How much revenue has the department secured from that source during the past year?

Mr. Gregg: I have not the information here, but I shall get it.

Mr. Fraser: It does not seem fair that the Department of Veterans Affairs should charge that amount for a veteran going into hospital, in view of the fact that the Indian affairs branch pays only $3 or $3.50 a day for an Indian in hospital. There is something wrong somewhere, definitely. I know of veterans who have had to go to hospital and who, instead of going to veterans hospitals and paying $9 a day, have found it cheaper to go to local hospitals.

Mr. Mutch: Does the hon. member know of an instance where a veteran has, out of his own money, paid $9.75 per day?

Mr. Fraser: Yes; I have had cases where they have gone to local hospitals instead of paying that amount.

[Mr. Harkness.]

Mr. Mutch: But does the hon. member know of any case where a veteran has paid out that amount?

Mr. Fraser: The parliamentary assistant told us that they paid it.

Mr. Mutch: No, we did not. We said that there is a charge there, but that in almost every instance where $9.75 has been collected it has been collected on behalf of a veteran who was there as a charge against a third party. These are veterans who are hospitalized at the request of municipalities or other organizations, or perhaps as a result of an accident where the claim lies against a third party.

I believe that upon examination the hon. member would find that there are exceedingly few cases where the veteran himself has ever paid that charge. I would be interested to know of any cases where a veteran has actually been there over a period of time, and paid that much.

Mr. Fraser: From what came out during the last session, and the preceding one, and from the fact that the minister said they were charging $9 or $9.50 a day, I know that is so.

Mr. Mutch: There is a liability of that; I believe that would be a better way to express it.

Mr. Fraser: Yes, but every veteran feels that is what he would have to pay if he went into hospital. He does everything possible to avoid the hospital on account of that charge.

Mr. Mutch: Believe me, he does everything possible to get in.

Mr. Fraser: No, to keep away from it. While I am on my feet I would ask whether the department has tried out, for blind veterans, the electric eye which has been used by the service departments in the United States. These weigh about four pounds and project a beam of light in front of the veteran. When the light beam is broken by an object in the user's path a warning is given by the vibration it produces. I understand this has worked out very well, and I was wondering if this department had done anything about it?

Mr. Gregg: I understand the department has been in touch with the situation through Colonel Baker of the Canadian National Institute for the Blind, and that the matter is being studied.

Mr. Pearkes: I believe I could supply the parliamentary assistant with the names of individuals who have been in the veterans hospital at Victoria. I cannot say for certain, but I believe they paid the money themselves. Certainly they were billed for it. Then,

before they were cured, they moved from the veterans hospital to the Royal Jubilee hospital at Victoria.

Mr. Mutch: The stated liability is there. But there is a latitude with respect to collection which has not, in my experience, worked any real hardship on anyone who could not pay it. I asked the question, not with the suggestion that there is no liability; there is. I have indicated however that the administration is such that it does not, in my opinion, work any hardship.

Mr. Harkness: I should like to comment on what was said a short time ago by the parliamentary assistant. I brought it out because I had three complaints within the last two months from individuals who thought they were being charged more than they should have been in the veterans hospital—certainly far more than they had anticipated having to pay.

Mr. Mutch: It could happen that either the hon. member who has just spoken or myself, both veterans, might as a result of an emergency be admitted. I believe he would agree, as would other hon. members in the committee, that under the circumstances either of us would be able to pay for that accommodation. Under those conditions it would probably be collected in full. But my point is that there is no insistence against a veteran who needs treatment and is ill-equipped to pay it, just because the liability does exist.

Mr. Goode: The statement has been made that veterans would prefer to go to hospitals other than veterans hospitals. That is not the fact. Along with many other hon. members of the house, I am a member of the Canadian Legion. We believe the department is doing its best to provide for the veterans. I do not believe in my experience with the Legion in the Vancouver area that there has ever been a case where a veteran has definitely decided to go to some hospital other than Shaughnessy. I do know of some boys in Shaughnessy who have not been able to pay for their hospital accommodation for some time. One of the boys I visited the day before I came east is dying of tuberculosis. His hospital rate is $9.75 a day, but he will never be expected to pay it. And the hon. member who asks that question very well knows it.

No one is fairer to the veterans than is this department, whether it be in hospitalization or in any other particular. I resent the implication that the department would ask the veteran in hospital to pay the $9.75, if he were unable to pay it.

Mr. MacInnis: While we are discussing item 528—

The Deputy Chairman: We are discussing item 529.

Mr. MacInnis: I was about to ask a question with respect to item 528. I understood the minister to say that it was the intention to extend the time for applications for vocational training under P.C. 5983, and also to extend the age limit.

Mr. Gregg: That was in connection with merchant seamen. I said I would be glad to discuss the matter of age limit with my colleague the Minister of Transport.

Mr. Lennard: Could the minister shed some light on the subject of ambulance service which I brought up this afternoon? I mentioned that matter so that the minister and his deputies might have an hour or so to dig up the information.

Mr. Gregg: When the hon. member was speaking this afternoon I was tempted to interrupt him to tell him that the matter to which he directed his remarks was immediately under the consideration of the deputy minister and his officials.

Mr. Green: Is there any possibility of men of the merchant navy getting hospitalization? At the present time they are not entitled to any hospitalization whatsoever unless they happen to be pensioners, and there are very few pensioners among them because the pension provisions are too strict. It is not possible to give these men hospitalization? Surely they can at least get that. It does not come under the Department of Transport. This question can be settled by the Department of Veterans Affairs. I urge the minister to make some provision to allow these men to get hospitalization. It is very unfair that they cannot get into the veterans hospitals.

Mr. Gregg: Of course, under existing legislation the answer to that is no. It is in reality a part of a larger question. As the hon. member knows, there was not only this group of non-veterans, technically speaking, but also a number of others who were considered by the parliamentary committee, and the principle has not been acknowledged that they are entitled to the benefits, including hospitalization, that were provided under the veterans charter for those who served in the armed forces.

Mr. Green: Is it not a fact that no amendment of any legislation would be required to give them hospitalization? Hospitalization is provided by order in council. No amendment to any statute is required.

Mr. Gregg: If nothing more, it would mean an amendment by way of definition of the word "veteran".

Mr. Green: There is a similar situation with regard to the widows of men who were drawing the war veterans allowance. They come under the War Veterans Allowance Act and yet they are not entitled to hospitalization. I believe they are the only group coming under the War Veterans Allowance Act who cannot get hospitalization. In my opinion that is also an injustice. The hospitals are equipped to take care of the young women who served in the three forces during the second world war. Surely some arrangement could be made so that the widows of the front line troops of the first war could be given treatment. Is the minister not going to make a statement?

Mr. Gregg: I doubt whether I could make any useful statement. I think the widows to whom the hon. member referred are widows of former recipients of war veterans allowance.

Mr. Green: That is right.

Mr. Gregg: If that were done, an equally important and much larger group would be pensioners' widows who perhaps may not have inherited the pension upon the death of their husbands.

Mr. Green: They are probably entitled to war veterans allowance under the present act.

Mr. Mutch: Not unless they had service themselves.

Mr. Gregg: I do not feel that at the present time our hospitals would be able to undertake that task without extensive enlargement.

Mr. Cardiff: Does a veteran drawing a disability pension continue to draw that pension while hospitalized?

Mr. Gregg: Yes.

Mr. Harkness: The minister was going to get me the figure of the amount of revenue that had been taken in by the department through the fees I referred to. Has he got that now?

Mr. Gregg: I will attempt to get that exactly. All I could give tonight would be an estimate which would include the recoverables such as the Department of National Defence, the R.C.M.P., and so on, but if the hon. member will permit me to do so I shall get that figure and bring it in at the first opportunity.

Item agreed to.

533. War veterans allowance board—administration, $237,204.

[Mr. Green.]

Mr. Green: The minister did not make any reply to the suggestions which were made this afternoon concerning war veterans allowance. Will he make a reply now?

Mr. Gregg: I think the main discussion this afternoon was about the adequacy of the war veterans allowance as it exists at the present time following the increase which was made last year. The other point which was discussed was the question whether ex-members of the forces who served with the United Kingdom, with the British commonwealth of nations, or our allies, and who have lived in Canada for a period of time, should be eligible under the act. Dealing with the first point, as hon. members know, only a year ago the amount of the allowance was increased from $30 to $40 per month for single men and from $60 to $70 per month for married men. That was put into effect last spring but was retroactive to the first of October of the year before. I should like to mention, in case it is overlooked, that when we come to the amount under war veterans allowance and pensions it will be necessary for hon. members to note that in last year's estimates it covers the whole of last year plus the preceding six months, which makes it a little larger than it otherwise would be. During the summer it appeared to us that there were veterans, particularly in the cities and towns, who were undergoing hardship because they had no other means of support and were not employable. Welfare workers within our department made a test for our own information in a number of centres across Canada to find out just what the situation was. We were very happy to see that conditions were not as bad as we sometimes feared they might be, but on the other hand we did find that hardship was being experienced particularly in the cities. That was the reason why I put forward a request last spring that there be inserted in the estimates an item for half a million dollars in order that we could continue and complete the survey quietly and steadily, and while so doing do something to overcome the hardship which our survey showed did exist.

We did find that some of the old veterans, who had become eligible for war veterans allowance and were getting a cheque every month, did not read the newspapers very much, or the periodicals of the veterans associations. As a result we found that when something happened to their teeth and they had to get them out they went to the dentist and paid him for pulling them; or if they had to go to a doctor for some medicine, they took their few dollars from the war veterans allowance and paid for it. In other words

they did not know they were entitled to medical assistance under the War Veterans Allowance Act.

That situation, of course, was easily corrected. There are many other ways in which by advice and consultation conditions may be improved without too much difficulty. Later on I shall be able to give the exact figures; but in setting up this fund we desired that it should have a degree of flexibility which would enable our welfare people in the district to work in direct co-operation with the welfare people of the community in order to meet without too much delay any cases of hardship which might arise. On the whole in spite of some of the criticism we heard this afternoon I think that this is being done. We have kept in close touch with the situation here in Ottawa. A committee headed by my deputy minister has managed that fund from Ottawa, but a great deal of discretion has been left to those in the field to deal with local situations without delay when the need has been established. It was also necessary to have a good deal of flexibility geographically, because all veterans across the country are not making application for assistance from this fund in the same degree. In my own end of the country the applications are comparatively few. In British Columbia the number of applications and approvals is very high. That is due to the fact that many of our old veterans have gone west because of the climate, and have settled down in that well known paradise of Vancouver island. There they are, and there they foregather.

I do take exception to the suggestion advanced this afternoon that a severe additional means test is being applied in connection with the war veterans allowance. I have spoken to a good many of these men, and in my experience they have no objection whatever to going to the official in our district office, who knows all about them anyway because he has all the information in the files, and saying to that official, "Here are some additional circumstances that have got us into trouble. Can we get some additional help?" It is just as simple as that. It is not a means test piled upon another means test. D.V.A. people who conducted this voluntary survey, taking a few here and a few there, did not go out as inspectors or as a gestapo to find out whether these people were hiding something under the mattress. They went out to sit down with the recipients of this allowance, to discuss their problems and find out what could be done to help. That is the spirit in which this additional amount called the war veterans allowance assistance fund has been and is being administered. By the end of the fiscal year I am sure we will be able to tell whether this amount will be sufficient or whether further steps should be taken. I would like to carry on until the end of the year in order to ascertain these facts.

Mr. Fair: Very recently another matter was brought to my attention to which I think the minister might give a little attention. I understand that a person receiving the war veterans allowance is held down to an income of $1,100 a year, including that allowance. If he is in receipt of casual earnings, however, I do not believe that figure applies. If a man has a steady job, though it may not be worth very much, he has a ceiling placed upon his earnings. I have particular reference to the case of a man who is seventy-two years old this month. The druggist in his town needed some help for about four hours a day, and this man undertook to fill the position, for which he is paid $7.50 per week or approximately $30 a month. Apparently he was earning that money for some little time before the war veterans allowance board found out about it, and now they have reduced his allowance until a certain amount has been repaid.

I believe something should be done about a case like that, where a man of this age had enough ambition to go out and make a few extra dollars. He told me that he and his wife could not live in comfort on the allowance he was receiving, so he was trying to get a little extra money. I do not think it should make any difference whether it is a steady job or casual earnings. Perhaps in this case that $7.50 a week might be classed as casual earnings.

Mr. Gregg: I should like a chance to study the case mentioned by my hon. friend, but from what he has said I take it that this man is permanently employed, with so much money coming in regularly every week. Consequently that would be looked upon by the board as a salary or wage. I think hon. members know that we have interpreted the expression "casual earnings" in very broad fashion, but I do not think we could interpret it broadly enough to include the case mentioned by my hon. friend, if I understood him correctly.

Mr. Fair: Then I wonder if it would not be better for that man to give up his steady job and work every other week, or something like that. Would that make a difference?

Mr. Gregg: I can hardly answer that question. The amount earned is above that permitted by the act, and whether or not it would pay him to make a change would be, of course, up to him. I imagine he is rather proud of the fact that he is able to earn that

much money under his own power. I shall be glad to look into the case fully with my hon. friend.

Mr. Fair: Then I wonder if the minister would suggest that he apply for the amount which was made available last year, of up to $15 a month, provided he stops work. Many other people throughout the country have done that. He would then get away from this steady salary, and make application for that extra amount provided last year.

Mr. Gregg: I shall be glad to discuss the case with my hon. friend.

Mr. Green: Do I understand from the minister's statement that in every case this additional allowance is in the nature of a grant of one kind or another rather than a definite increase in the amount of the war veterans allowance received each month?

Mr. Gregg: It is an amount utilized in an attempt to overcome special hardship which may be immediate or of some duration. It may be a spot amount of $50. It may be an amount to be advanced over a period of two months or six months or twelve months. It is flexible enough to enable those administering it to use discretion, and I feel that it is in the nature of an auxiliary to the regular war veterans allowance, and is accomplishing quite a good deal in proportion to the amount of money expended.

Mr. Green: Then would the veteran have to apply each year?

Mr. Gregg: The veteran would be in close touch with those administering it. In some cases it might not be necessary to do so, but I would imagine in most cases it would be necessary for our administrator in the district to know about the case from time to time.

Mr. Green: That brings up the objectionable feature, Mr. Chairman, that this is only a temporary measure. In most cases, it is not even for a year. Next year if a veteran is to get the same benefit he will have to re-apply. I believe some more permanent arrangement will have to be made. If the minister is only trying this out for the remainder of the present fiscal year, there is not much objection to it. However, if this is the manner in which assistance is to be given year in and year out, then certainly some better means of doing it will have to be found. If a veteran receiving assistance only gets it temporarily, and has to apply each year, he may receive one amount this year and a different amount next year.

Mr. Stewart (Yorkton): He might not need it next year.

[Mr. Gregg.]

Mr. Green: If that is a permanent policy, I do not think it is sound. Something better than that will have to be worked out, and I feel sure the minister will agree with me in that contention.

Mr. Gregg: I am sure I did not indicate that that was anything approaching a permanent policy. The regular recipient of war veterans allowance under the act is not, by any means, necessarily permanent in the same way a pensioner might be permanent. Under our present act, the case must be reviewed from time to time and changes made based upon the conditions under which the veteran is living. This year I believe we are really more closely in touch with those in receipt of aid than we are with the regular recipients. As I pointed out before, I think it is revealing a number of things, and by the end of the first fiscal year we shall have acquired more information on that subject than we have had heretofore.

Mr. Green: The situation with regard to old age pensions is not being met at all by this temporary provision. In British Columbia the old age pensioner is receiving $50 per month, and that increase is not temporary. The burnt-out pension is supposed to be the equivalent of the old age pension, as the minister stated in his speech I quoted this afternoon. In British Columbia and some of the other provinces the situation will develop where the old age pensioner will receive more than a war veterans allowance recipient. I do suggest to the minister that the war veterans allowance will have to be made equal to the old age pension. The idea of having a temporary increase is not going to meet the situation at all, particularly in view of the fact that the old age pensioner now receives more than the war veterans allowance recipient.

Mr. Gregg: I still come back to the point that the old age pensioner and his wife have to be seventy years of age before they can receive a pension.

Mr. Green: It is a rather weak excuse.

Mr. MacInnis: I should like to make a few remarks on the question discussed by the member for Vancouver-Quadra (Mr. Green). In talking to recipients of war veterans allowance, I find they have mainly three grievances. The first, of course, is that the allowance is too small. Second, before special assistance is given an investigation is made, and that is deeply resented. This is the matter referred to by the member for Battle River (Mr. Fair) and by other members on a number of occasions, namely, the means test.

I would suggest to the minister, and through him to the government, that if the means test is to be continued we should pay the allowance until the income reached the amount exempted under the Income Tax Act, $1,000 for single persons and $2,000 for married persons. The recipients of the allowance would be permitted to earn as much as they could, and if they exceeded these exemptions they could be taxed in the ordinary way, including the amount received from the war veterans allowance. I believe it would be the least costly way of handling it. There must be an enormous expenditure of time and money in making these investigations. Investigations are irritating, there is no doubt about it. I am informed by individuals in receipt of the war veterans allowance that these investigations are conducted by the Royal Canadian Mounted Police. Some means will have to be found of getting rid of these petty annoyances.

In British Columbia we are faced with the fact that the old age pension proper plus the supplementary amount paid by the government now totals approximately $50 per month. When both recipients are over the age of seventy, it is considerably more than married persons receive under the War Veterans Allowance Act. I do not think the fact that an applicant is seventy years of age should make any difference. It takes as much money to keep a couple who are sixty as it does to keep a couple who are seventy.

Mr. Lennard: They would eat more.

Mr. MacInnis: I would imagine they would because the younger couple would be more active and expect more of life than those who had reached a more advanced age. I would suggest to the minister that he take these matters under consideration and see if there is some way we can eliminate these petty annoyances to people who are in a difficult position in many cases, through no fault of their own.

Mr. Cardiff: Could the minister tell me in what circumstances a veteran who is drawing a disability pension must find himself before he would be entitled to receive assistance from the army benevolent fund?

Mr. Gregg: The terms of reference for the army benevolent fund were worked out by a parliamentary committee. As a result of that, an independent board was created which worked out its own regulations and technique. It is responsible to parliament in a general way through the Minister of Veterans Affairs. I would not be able to answer a hypothetical question with regard to a pensioner, but I am quite sure he could receive funds from the army benevolent fund if the situation warranted it.

Mr. Blackmore: Will the minister, after giving the matter some thought, give the house a justification for the present means test against the veterans who are drawing the war veterans allowance? I should like to know by what process of reasoning that sum of money was arrived at by the men who originally fixed it at the present amount. I have never been able to see any sense in it at all. What can be the object of the Department of Veterans Affairs in wanting to keep the veterans on a subsistence level, in constant and appalling need? I fail to see any sensible objective. I can understand why the Department of Veterans Affairs would want to keep the veterans allowance down as low as possible in order to avoid expense, and that seems to be their primary objective. But why they should object to people who receive the war veterans allowance going out and making more where they can do so, I never could see, especially when the sum is as meagre as that which now constitutes the means test for veterans receiving the war veterans allowance in Canada. After the minister has had time to think this matter over, I should like to have him justify before the committee and before the country the amount of the means test at the present time.

Mr. Gregg: Even though it may not be what the hon. member for Lethbridge wants, I suppose the correct answer is that we are administering an act, and in that act appears this item called the means test. We try to administer it fairly and in accordance with what we think is the will of the people who passed the act; and they were the members of this house representing the people of Canada. I do not intend to go behind that and try to enter into the minds of those who inserted the means test into the act when it was placed upon the statute books.

Mr. Blackmore: I can understand that, Mr. Chairman. But I should like to know whether this means test was forced on the Department of Veterans Affairs; and if so, I should like to know who it was that forced it on them. The means test is said to have been passed by this house, but it was introduced by a government and passed by this house because it was introduced by a government. I am positive that no members of this house ever told the government that they wanted to have that means test so meagre as it is at the present time. If there is any way of finding out who it was that first conceived setting that means test down at as low a level as it now is, I should like to find out who it was and why he did it.

Mr. Gregg: The means test was not forced upon the Department of Veterans Affairs

any more than it was forced upon the Department of National Health and Welfare with regard to the old age pension. It is part of the legislation which was considered and passed by parliament. That was one of the sections within that legislation, just as it is one of the sections within the old age pension legislation. I do not think there is anything more that I can say on that subject tonight.

Mr. Blackmore: As I see it, the point is this. It was considered by parliament because somebody designed the thing and brought it down to parliament. What I should like to know is who that fellow was who designed it, and why he designed it in the way he did. That is the thing.

Mr. Gregg: I do not want to continue this discussion, but the first designing was done away back in 1929 and 1930. In the spring of 1930 the first bill covering war veterans allowances was brought in. This item was in that original act. The act has been amended a number of times since then, but this item remains in it. I know that it has been discussed, but it remains in it because apparently the majority of the members of this parliament felt that it should be in it.

Mr. Blackmore: Would it not be more accurate to say that that is the way the majority of the members of the treasury board felt? I suggest, Mr. Chairman, that the time is long overdue when a complete revision is brought about in this parliament. I suggest that the minister take this matter up in the cabinet and tell them that that is what the people all over this country think.

Mr. Knowles: I do not want to detract from this all-out attack on the means test as a whole. But since the minister is to look out and see if he can find this fellow who first invented it, may I ask a susidiary question. The minister will recall that this afternoon I was discussing the way in which the war veterans allowance means test with respect to liquid assets is meaner in its application than is the case with the old age pension people. I should like to know whether the provision which says that a veteran must reduce his liquid assets to a certain amount before he can qualify for burnt-out pension is in the act or is in the regulations under the act.

Mr. Gregg: The point brought up by my hon. friend is not a part of the act. It is a ruling by the board administering or interpreting the act.

Mr. Knowles: Now we have something about which something could be done. When the minister can say that the point we are kicking about, such as the whole means test, is in the act he can say that, as long as the majority think as the majority does in this parliament, nothing can be done. But here is something that is done not by virtue of the act itself but by virtue of an administrative ruling or regulation made under the act. I am sure that the majority of members of this house, if they had a chance to express themselves, would say that the way of administering the means test in connection with the burnt-out pension should be no more strict in any respect than it is with regard to the old age pension. I am not going to ask the minister to make any promise or commitment here and now, but I hope he will look into the matter. I am sure I made clear this afternoon the difference between the old age pension means test and the burnt-out pension means test with regard to liquid assets. As to the old age pension, a partial pension is granted bringing the recipient up to the ceiling that is allowed by the pension means test. But as to the burnt-out pension, the veteran with liquid assets—and he does not need to have much—is told he cannot qualify until he reduces those assets to a stated amount. In other words, the veteran is asked to spend it or dissipate it or he is asked to live a little bit beyond what he feels he should because of his assets, in the hope that he will get the allowance later on.

The Deputy Chairman: Shall the item carry?

Mr. Knowles: Just a minute. I notice that the minister nods his head. I want to get on the record the fact that the minister nodded his head.

Mr. Lennard: Which way?

Mr. Knowles: Up and down.

Mr. Gregg: I shall be glad to look into the matter.

Mr. Knowles: May I remind the minister that there have been visiting in Ottawa this week women representing the non-pensioned veterans' widows association. I have no doubt they have seen him if they found it possible to get an audience. He knows some of the requests they have been making from time to time. One is that they should be granted treatment provisions, hospitalization and so on. He also knows about their particular plea that England be treated as a theatre of war with respect to world war I. Have they been able to make any dent upon him during the course of this week in connection with those matters?

Mr. Gregg: I have had the pleasure on two occasions this week of meeting with the ladies referred to. I should like to state

also that these ladies told me that they had seen rumours in the press that the government had taken steps, or was about to take steps, on this much discussed matter affecting veterans who had served in the United Kingdom forces or in British commonwealth forces, which of course would in turn affect the widows of those veterans. I regret very much if such rumours went out because the facts of the matter are these, as has been pointed out. I did indicate to veterans organizations that I would study the matter. The hon. member for Vancouver-Quadra referred to that. I can assure him that that promise has been kept. There are matters relating to it which I discussed with the ladies and which the hon. member for Yorkton referred to in passing this afternoon. The greater number of those from the commonwealth who served in a theatre of war, and who have been in the country for twenty years, came from Scotland, England, Ireland, north and south—and there, if you say in your definition "from the commonwealth", what are you going to do about the south of Ireland? That is only a minor problem. It is not an insuperable one. I have a record of some who have served in battle in the forces of Australia and New Zealand, but they are not anything like—

Mr. Green: How many?

Mr. Gregg: I do not know how many, but I know there are a few. Then, if we are to study the problem of these people as we have been doing, shall we make a clean job of it and include all those who served on our side between 1914 and 1918? When you go on from there you have the United States, France, Belgium, Japan, Italy, Russia and quite a number of other countries. I have the list upstairs, which indicates that at least I have been giving it some study. The figures that have been estimated so far indicate that there might be in the vicinity of 2,000 British commonwealth people in the country who might be eligible in this connection. That is only a very rough guess.

Mr. Green: Two thousand?

Mr. Gregg: Yes, from the British commonwealth, who might be eligible; not those who are in the country. There is a larger number than that in the country. Other steps are under way to try at least to find out some similar estimate as to those of allied and associated countries who may be in this country. All that I will say tonight in response to the question is that the matter is being studied by my department and by the government.

Mr. Green: Is there any chance of legislation being brought down this session?

Mr. Gregg: I do not expect that it will be completed in time to bring in any legislation at this session.

Mr. Knowles: I take it that the question of the widows of Canadian veterans who saw service only in England in world war I is included in this whole study.

Mr. Gregg: No, it is not, because I do not think anybody has ever made more clear the principle underlying the war veterans allowance than did the hon. member for Vancouver-Quadra this afternoon. The whole principle of this bill today, as it was in 1930, is that it is designed for those who had service in battle and because of that service in battle may have become pre-aged, burnt out, and consequently were entitled to a ten-year differential as compared with an old age civilian Canadian who had served his country not in uniform. If that principle were done away with, I think it would be almost as reasonable to say that Canada was a theatre of war in both world war I and world war II as to say that England was a theatre of war in world war I.

Mr. Pearkes: In view of the minister's promise to look into the question of liquid assets I bring one aspect of it to his attention. A certain amount of liquid assets is allowed and at the same time a man is permitted to own a property or a house up to the value of $4,000.

Mr. Mutch: Assessed value?

Mr. Pearkes: From time to time cases have been brought to my attention where the wife of a man dies and he is left a house which is perhaps larger than he is able to look after because he is a widower. In any event, he has to readjust his custom of life. He sells the house. That increases his assets by approximately $4,000. He may be waiting until he can find a smaller house, until he gets married again, or until he can make certain adjustments, but he loses his war veterans allowance. I do not suppose he loses it immediately but very shortly afterwards, until such time as the money which has accrued from the sale of his property has been reduced to the amount of liquid assets which he is permitted to hold. Therefore he has no chance of ever again having a house of his own. In the years to come, should he get married again, he has no opportunity of buying a house. If the minister intends to look into the question of the amount of liquid assets, might that point be taken into consideration? A widower has been left with increased assets owing to the sale of his house. He should be able to retain these—I am not going to say indefinitely—for a reasonable length of time until

he can get his living arrangements adjusted, buy a new property or get established in some other way.

Mr. Gregg: We shall be glad to look into that.

Mr. Quelch: There is no doubt that veterans across Canada do resent, and I think quite bitterly, the fact that civilians can get a higher rate of pension under the Old Age Pensions Act than the veteran can under the War Veterans Allowance Act. The minister has pointed out to us that the veterans can get the war veterans allowance at 60, a lower age than would qualify a civilian for old age pension; but he himself has reminded us of the fact that that was done in the first instance because the veteran was pre-aged by ten years. That being the case, it is not fair to refer to the fact that veterans can get war veterans allowance at a lower age.

Following along the line of the minister's discussion, would he suggest that when a war veteran and his wife receiving the benefit of the War Veterans Allowance Act reach the age of 70 he would be better off to drop the war veterans allowance and seek a pension under the Old Age Pensions Act? I am sure the minister himself would admit that it would not be a happy situation were our veterans recommended to drop their help under soldier legislation and seek it under civilian legislation merely because they can get a higher pension. Yet that is the situation that exists today, and many veterans have come to me and pointed out that they could get a higher rate of pension under civilian legislation than they could under soldier legislation. They have asked me whether I thought they should drop the war veterans allowance and seek assistance under the Old Age Pensions Act. I have urged them not to do so. I told them that I was satisfied that this matter would be rectified. In the name of common justice it has to be rectified. Surely we are not going to place veterans in the position of getting a lower pension than a civilian pension. Can the minister tell us the number of applications for assistance under this fund and the number who were given assistance?

Mr. Gregg: I have not before me the number of applications for assistance. But in response to the other comment, I believe I did say that, by and large, an attempt was being made to have some relationship between the war veterans allowance and the old age pension in conjunction with the provinces. Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba—we will leave out Saskatchewan, because I am not sure—there is not a veteran in any of these provinces who, when he reaches the age of seventy, will want to switch over to old age pension. I think that is a fair average. If the other two or three provinces have a slight edge after the age of seventy, then it must be kept in mind that the others have not.

Mr. Green: This is the item having to do with the war veterans allowance board. The minister has not given an answer to the question asked this afternoon by the hon. member for Vancouver East respecting the husband and wife, where the wife had been working during some of the war years. The hon. member said that the war veterans allowance had been cut right off, and that the department was trying to collect even the man's small pension.

If that is so, then surely something should be done about it. There was probably no intention of misrepresentation at all in that instance. I do not believe it is fair to cut war veterans allowance off completely. I can quite understand why there would be some collection, or why something should be taken from the war veterans allowance. But these people have to live. They certainly cannot get city relief, and they cannot work.

I am surprised that the war veterans allowance board would take away the complete allowance. In cases I have had, where there have been overpayments, they have deducted $5 or $10 a month, or some such figure, leaving something on which the people could live. But in the case mentioned this afternoon by the hon. member the whole allowance was taken away.

Mr. Gregg: I thought it would be impossible in committee to assess all the factors affecting an individual case, without having the record before us. I told the hon. member for Vancouver East that I would be glad to discuss the matter fully with him, and look into it.

Mr. Green: Is it the practice of the board in such cases to cut off war veterans allowance completely?

Mr. Gregg: There has not come to my attention any case similar to the one mentioned this afternoon.

Mr. MacInnis: I am quite satisfied that that is what has been done in this instance. I am sure there is not the slightest doubt about it at all.

Item agreed to.

534. Veterans' insurance, $80,705.

Mr. Harkness: Would the minister tell us how successful the veterans insurance scheme has been? I notice there is a decrease of

$17,624 from last year. Has the amount of insurance in force dropped? In other words, are there a number of people who have entered the scheme and ceased to pay premiums, so that the amount in force is smaller than it was before? I notice on looking at the details at page 308 that there are only two permanent employees in the department with total salaries of $4,470, whereas the salaries of temporary employees come to $66,015. What is the reason for that? Are there only two permanent employees because it is anticipated that the veterans insurance scheme will peter out? What is the story behind it?

Mr. Gregg: As to the decrease of $17,624 from last year, this item covers administration and, as the hon. member will realize, in the first few years after demobilization there was a rush for applications. That rush is now tapering off, and consequently some saving has been made. It does not indicate at all, however, that the scheme is unsuccessful.

Something similar could be said with respect to permanent and temporary employees. I regret exceedingly to report what appears in the main estimates, namely the small proportion of permanent employees in my department. The deputy minister assures me there are some we have had before us that are going through now.

This department of course, in the long range of history, is considered a temporary department. If we have no more wars, then some day it will be merged with something else. Even so, however, the number of permanent employees is no reflection upon the permanency of the project. If the hon. member is interested, I could give him some figures. There are 23,025 policies in force under the plan, representing a capital of $65,851,985 insurance.

Mr. Wright: There is a very restricted list of people who may be named as beneficiaries under soldiers' insurance. Would the minister give the committee that list?

Mr. Gregg: The list of beneficiaries includes the wife, or mother, or father, or children, or blood relations. That seems to be fairly wide.

Mr. Wright: A number of cases have been brought to my attention where soldiers have wished to leave the residue of their insurance to people other than those in the restricted list, and for very good reasons. In some cases the relatives were quite able to take care of themselves, and were not in this country. There might be some who are not direct blood relations to whom a person might wish to leave his estate or his insurance.

The information given me by the department is that under the law at the present time a soldier cannot leave insurance to his estate; he must leave it to some direct relative, if such a relative is living. The only way that can be overcome is through an order in council passed by the cabinet. It seems to me there should be some easier way of doing it than by having to pass a special order in council concerning each individual case. Are those beneficiaries named in the act, or is it a regulation? If it is a regulation, it can be changed. If they are actually named under the act, then perhaps the act should be amended, because in some cases it is causing a lot of trouble.

Mr. Gregg: The beneficiaries are named under the act. I think there is a certain amount of reason for the limitation, because the taxpayers pay the administration costs for this insurance. It was never intended that veterans insurance should compete with private insurance in any way. It was intended for men and women who might not, because of their service, be able to pass the medical examinations necessary to obtain ordinary insurance. It was in order to assist them to get insurance to take care of their dependents after they died. There was no intention whatever of having other Canadians pay the administration cost and provide the means whereby these veterans could build up an estate to be put to some impersonal use after their death.

Mr. Wright: The minister says that this insurance is costing the taxpayers money. Can he give us figures to prove that veterans insurance is being paid for out of taxpayers' money? Have the premiums that have been paid up to date not been pretty well sufficient to meet the cost of the insurance plan? Has he any figures that will indicate to the committee what it is costing the taxpayers?

Mr. Gregg: I cannot tell you what it has cost since the beginning, but it is costing this year a total of $98,329, and we estimate that it will be $80,000 next year. It has been much more than that in past years. It has been worked out actuarially so that, with the administration costs being taken care of by the taxpayers, the capital amount of the insurance will take care of payments to beneficiaries in cases of death; but it is completely non-profit as far as that is concerned.

Mr. Harkness: The minister said there were 23,025 policies in effect at the present time. What was the number a year ago? What I am trying to get at is whether the number of policies has increased during the past year or whether quite a number of men took out these policies and then forfeited them.

Mr. Gregg: The figure I gave was for August this year. The number in force as of August last year was 20,522 policies, and the total value was $58,627,691.

Mr. Harkness: The experience is that the number of policies and the amount are going up.

Mr. Gregg: Yes, steadily going up.

Mr. Harkness: That is satisfactory.

Mr. Gregg: While I am on my feet, perhaps I can answer a question that was asked about the assistance fund of the War Veterans Allowance Act. The total amount expended to date is $44,773.14, and the amount committed is $140,000.

Mr. Green: In addition?

Mr. Gregg: No, including.

Mr. Fair: Have any of these veterans' policies lapsed up to the present time? If so, how many?

Mr. Gregg: Up to August 31, 1949, 616 policies had lapsed, of a total value of $2,199,000.

Mr. Fair: Is that because the veterans were not able to continue paying the premiums or did they lose interest in the insurance?

Mr. Gregg: It is very difficult to say.

Item agreed to.

Payments to or for veterans and dependents—

535. Pensions for disability and death, including pensions granted under the authority of the civilian government employees (war) compensation order P.C. 45/8848 of 22nd November, 1944, which shall be subject to the Pension Act, $100,664,000.

Mr. Thomas: In respect to disability pensions I should like to ask the minister how many veterans have had their pensions reduced since January 1, 1949, and how many have been reduced by 25 per cent or more.

Mr. Gregg: I have not those figures. I will ask the chairman of the pension commission to get them for me for next week. In the case of world war I, as the hon. member knows, those in force for three years or more are not reduced.

Mr. Green: When the special committee on veterans affairs sat in 1946 the chairman of the pension commission tabled a statement showing among other things the number of disability decisions which had been rendered by the Canadian pension commission in respect to the second world war. According to that statement, unfavourable decisions—in other words, entitlement was not granted—amounted to 7,810 in the case of men who had served overseas; entitlement was refused on the ground that the condition was of pre-enlistment origin and not aggravated on service. The figure for those who served only in Canada was 54,207. In other words, at that time there was a total of over 61,000 applications that had been refused although the men were disabled. Those applications were refused on the ground that they were suffering from pre-enlistment conditions, not aggravated on service.

Subsequently I obtained the figures for the period up to the 30th of June, 1947. At that time the figure was 13,321 for men who had actually gone overseas and, mind you, they had been discharged as disabled but were ruled out on application for pension on the ground that they had pre-enlistment conditions. The figure for men who served in Canada only was 72,340 as of June 30, 1947. Can the minister give us the figures for the period from the 30th of June, 1947, to the 30th of June, 1949? If he has any difficulty in tracing this matter he will find the discussion in 1947 *Hansard* at page 5777.

Mr. Gregg: The chairman of the pension commission tells me he will be glad to furnish that information for next week.

Mr. Thomas: When a pensioner has been re-boarded is there any court of appeal or tribunal to which he can appeal if he feels he has been aggrieved by the finding of the board?

Mr. Gregg: Briefly, the answer is yes; he can ask for an appeal.

Mr. Quelch: That is subject to new evidence being produced.

Mr. Gregg: Subject to any new evidence being brought in.

Mr. Quelch: I am not sure whether the hon. member for Vancouver-Quadra asked this question, because I could not quite hear him. Can the minister say how many cases were reviewed as a result of the amendment that was made striking out the words "wilfully concealed", and how many pensions were increased as a result of that review?

Mr. Gregg: Every case has been reviewed or is under review; and we shall be glad to provide the figures requested.

Mr. Thomas: With respect to the matter I mentioned in my last question, I should like to ask the minister whether that appeal is handled by the same board that considered the case in the first place.

Mr. Gregg: Since this matter has been brought up in other cases, rather than just give a snap reply to that question I should like to give a more complete statement, after consultation with the chairman of the board,

on the procedure followed in reviewing cases. I shall do that before the estimates are finished.

Mr. Knight: I have often wondered to what extent the report of the doctor who examines a young man at the time of enlistment is taken into account when it later becomes a question of determining whether or not that man is entitled to a pension. I am thinking of case after case which have come to my notice in which a man, upon applying for a pension due to disability, has been told that he is suffering from a pre-enlistment complaint. But this pre-enlistment complaint, if that is the correct term, is only discovered after the man has put in his service and applies for a pension. Apparently the report of the examining doctor which certified the man to be in A-1 condition does not count for much. For instance, the doctor reports that the man is capable of taking his place in air crew, which I take it means that he is in A-1 condition. After service of perhaps six months or a year, either in Canada or abroad, he is stricken with a heart condition, and it is suddenly discovered that he had a pre-enlistment condition, rheumatic fever or something of the kind, which produced that heart weakness.

It must be awkward for the department to discover that the army doctor passed as fit a man who, within a year or two, turned out to be not fit. The fact is, however, that he was certified as fit, was taken into the army or air force and put through those severe physical tests which young men have to undergo nowadays in their training. There are so many of these cases in which, after a year or two, men are found to be suffering from pre-enlistment ailments. That must be an awkward situation to handle. Apparently the report of the doctor who made the first examination is not given a great deal of weight, while on the other hand the report of the doctor who discovered the pre-enlistment disability seems to carry great weight with the department.

Perhaps the minister would comment on that situation. I hope I have not been bitter about it; I do not mean to be, but these boys can be pretty bitter. I have in mind the case of a young man who enlisted in the air force and was pronounced A-1. He joined the air crew, and a little later the very thing I have been mentioning happened to him; a year or so later he was found to have a heart condition. He was granted one-fifth total disability pension. If I were a lawyer I would argue that the mere fact that D.V.A. granted him anything at all was proof that the department thought he was entitled to something, and that his application was sound in that his ailment had been at least aggravated by his service. This boy is absolutely unable to do anything. When he shakes your hand his hand is soft and warm, and he has difficulty in walking for even a few steps. He appealed to the pension board and was granted another one-fifth, which again would indicate that the department recognized that he had some claim. He now receives a two-fifths disability pension, but the lad is absolutely unable to work. The doctors say they discovered that he had an attack of rheumatic fever early in life, and no doubt his heart condition resulted from that. I do not dispute that; I am not a doctor. However, this is one of those unfortunate cases where the department may be right, but what are you going to do with this boy? That is the point. You cannot blame these fellows for getting bitter. They joined up in all good faith. They were rated A-1, and went to work.

I should like the minister to comment on that situation, because there must be hundreds of similar cases. To repeat my main point, here is a doctor who certifies a man as A-1, or whatever the term may be, and he is sent to fight. Then some time later the department comes along and says the first doctor was wrong, that the man had a pre-enlistment ailment. They say doctors differ and patients die. In this case the boy is not dead yet, but I should like to know which doctor was right.

Mr. Gregg: My hon. friend has opened up a topic which has run through the discussion of veterans affairs for many years. My first thought was that the best I could do would be to send him extracts from the proceedings of the last parliamentary committee, where the matter was discussed at great length, to show that one more attempt was made to do something about this matter. I know the pension board is attempting to interpret this legislation to the very best of its judgment. As my hon. friend said, the board has a tremendously difficult problem, but it is trying to administer the act fairly. When there is a pre-enlistment condition which in the opinion of the board has worsened owing to war service, pension is awarded to the extent of the service aggravation. I do not want to go into the question of what the doctors were doing when they examined the men on enlistment. As my hon. friend knows very well, many men went into the service who the doctors and everyone else knew were not one hundred per cent perfect specimens, whatever the documents may have shown.

Mr. Harkness: I was rather struck by this item because it shows an estimated reduction for this year of $8,810,000, and I did not

expect to see a reduction of that amount, particularly in this item. Turning to the details on page 308 we find a reduction of over 25 per cent in the pensions paid to veterans of the northwest rebellion of 1885. This is to be expected, because these are all old men and naturally they are dying off rapidly. Then there is a reduction of some $4 million in connection with world war I, which is also to be expected. But when we come to world war II we also find a reduction of over $4 million. When we were considering the matter of pensions in the veterans affairs committee many very interesting figures were given to us purporting to show that the cost of veterans services, particularly pensions, as far as world war II veterans were concerned, would increase for some years to come. As I remember it, a constant increase was expected in the number of pensioners for world war II. Apparently for this particular year a considerable reduction is estimated. Would the minister comment on that and explain why that reduction is taking place? Has the department now come to the conclusion that the other proposition was wrong and the cost of pensions for world war II will not be increasing, as I believe actually happened in so far as world war I was concerned?

Mr. Gregg: It is increasing steadily. I referred to it but not under this item. The fact is that the war veterans allowance increase that was made last year was retroactive to the first of October 1947. Pensions were increased 25 per cent. Consequently, this means there is a 12½ per cent increase in last year's amounts contained in that item. Last year's amount is bloated by 12½ per cent because the increase went back to the first of October, 1947. By taking that off last year's, we see it as a lesser amount than we have in the estimates for this year.

Mr. Harkness: If I understood the minister correctly, the increase in pension which was retroactive is responsible for more than $4 million of this $58 million shown in 1948-49.

Mr. Gregg: Oh, yes.

Mr. Harkness: That is the situation then.

Mr. Gregg: Yes, one could work it out, although I have not the figure here. I believe between seven and eight million dollars would be chargeable to the year before; but since it was voted last year, it is shown in these estimates in that column.

Mr. Harkness: Then, I take it this information we received in the veterans affairs committee, that the cost of pensions for world war II would continue to increase for several years, is correct. I should like to ask the minister what the general rate of that increase is expected to be percentagewise?

Mr. Gregg: Perhaps if I gave the hon. member the number of pensions in force for the last five years, it would give a better indication than an estimate as to what might happen in the future. Going back to 1944-45, the number of pensions in force for world war II was 26,924; 1945-46, 53,293; 1946-47, 88,233; 1947-48, 103,963; 1948-49, 108,531.

Mr. Harkness: I would be inclined to think that only the last year or two would give any indication of the rate of increase, since the earlier years given were those immediately following the war when there would not be a large number of people making application for pensions. May I ask how long it is estimated the amounts required for pensions for world war I will continue to increase?

Mr. Gregg: Mr. Chairman, the amount for world war I is decreasing slightly now and will continue to decrease at a slightly increasing rate from year to year, one would expect, owing to mortality.

Mr. Harkness: What about world war II?

Mr. Gregg: World war II pensions will continue to increase for the next few years at any rate.

Mr. Harkness: Is there any estimate as to how long that will continue?

Mr. Gregg: Nothing but a guess.

Mr. Green: Mr. Chairman, on the pension item I have a case which I think should be investigated by the department. It concerns the widow of an air force man who was sent by the air force to fly with one of those private companies—in this case Dominion Skyways. He was sent over to do a job with this company which was carrying on training. In the course of that work he was killed. Apparently the pilots who were doing this particular work were covered by an insurance policy which would return the same amount to the widow as she would have received if her husband had been killed in the air force.

When the husband lost his life, the widow was asked to make an application in accordance with the rules and regulations under which the ordinary veteran's widow would get a pension. This woman received the Cross of Sacrifice and her case was treated in exactly the same way as if the husband had been shot down overseas. Everything was all right until the pension increase was granted a year or two ago. This widow now finds that she does not get any increase whereas the widow of an airman who was killed overseas does receive that increase.

I do not suppose there would be more than a handful of these cases, but I do suggest some provision should be made to give those widows the increase. It might have to be done by order in council in each case. I do not know how that situation could be met, but certainly there is an unfairness which should be rectified.

Mr. Gregg: In addition to the one case mentioned, Mr. Chairman, there are several others. Discussions are now under way between my department and the Department of National Defence with a view to seeing what can be done.

Mr. Green: One other question. In my remarks this afternoon I referred to the case of the merchant navy lad who is suffering from tuberculosis. The disease was incurred during his service and it might have been cured had the manning pool doctor not sent him back to work instead of following the recommendation of the doctor who took the X-ray to give him six months' rest. Is there not some way in which a case of that type could be covered by our legislation? If not, the legislation is certainly defective.

Mr. Gregg: I cannot answer that offhand, but I shall look into it.

Item agreed to.

Payments to or for veterans and dependents—
536. War veterans allowances, $19,825,000.

Mr. Thomas: On item 536, I should like to ask the minister whether or not a person without any additional income, and who falls within the requirements of the act, could make application for assistance from this special fund in a case of hardship arising from unusual circumstances? For example, if a man's home burned down, could he make application for assistance?

Mr. Gregg: Yes, Mr. Chairman. It was hoped the fund would be useful to cover situations such as that.

Mr. Quelch: Was the minister going to give us the number of applications for assistance under this item and the number of applications granted?

Mr. Gregg: Mr. Chairman, I gave the total amount a short time ago. I have not the figures here tonight for the number of applications, but I shall get them.

Item agreed to.

Payments to or for veterans and dependents—
538. Unemployment assistance, $75,000.

Mr. Green: Is that the old provision under which relief was given to small pensioners?

Mr. Gregg: Yes.

Mr. Green: In other words, this is really much the same thing as the previous item which is made up of $500,000 for war veterans allowance recipients.

Mr. Gregg: Pensioners of world war I. This item has a much longer history than has the other item.

Mr. Green: Is the amount in item 538 not applicable to veterans of world war II?

Mr. Gregg: No.

Item agreed to.

Payments to or for veterans and dependents—
539. Hospital and other allowances, $4,310,000.

Mr. Shaw: It is quite conceivable that the matter to which I should like to refer does not come under this item; but it is also quite conceivable that it might not come under any particular item. If I am out of order, possibly I could be told where I could more properly deal with the matter I have in mind. While on a western tour last spring the Prime Minister, according to press reports, visited the ex-servicemen who were in Colonel Belcher hospital. In the course of his visit among the men he met one from my constituency, a veteran of world war I who has been hospitalized now for a period of from two to three years. This veteran spends his spare time making articles such as purses out of leather. He asked the Prime Minister if he thought it fair that he should have to pay the sales tax on these commodities, most of which are given away. According to the press report, the Prime Minister said that certainly his request for relief from the payment of that tax seemed reasonable, and that he would make representations to the Minister of Finance. There must be a great many cases of that character in the various military hospitals across Canada. The fact that these men are able to do that type of work naturally assists them materially. I would say that it assisted them mentally in as great a way as any. It is quite possible that the minister cannot say whether or not the Prime Minister made the representations to the Minister of Finance; but may I ask the Minister of Veterans Affairs if he will make such representations, because then I shall be in a much better position to ask the Minister of Finance when we are dealing with matters relating to the Department of Finance.

Mr. Gregg: Without having any knowledge of the incident referred to, I can say that the matter mentioned by the hon. member for Red Deer has come to our attention in other connections. I can assure him that, as in the past, every effort will be made to do this if

it is possible. It is not perhaps as great a hardship as appears on the surface, because a great deal of assistance is given to the patients in hospitals in this work which is done partly for the improvement of their disability and in some cases for their amusement and entertainment, in conjunction with the work of the Red Cross; and I think a patient is rarely charged an amount that he cannot easily bear. But I can assure my hon. friend that we will continue to look into the matter.

Mr. Shaw: I would quite agree that probably there is not much money involved, but there is a principle involved. I think it would be a fine gesture on the part of the government if they could make this slight concession to these men. It is not so much a matter of the number of dollars involved as it is a matter of a vital principle.

Mr. Knowles: Before we left the first item, the minister said that he preferred to deal with a number of the points that had been raised in the discussion on the first item, in relation to the specific items. One set of matters that was raised by hon. members over here had to do with the firefighters, the Red Cross nursing sisters and the auxiliary services generally. I have been looking down the list in order to try to see on what item we might ask the minister to deal with these people. The trouble is that they are not in under any item. Is this item not as good a one as any for the minister to comment on the appeals that have been made on behalf of members of the auxiliary services?

Mr. Gregg: The items referred to would of course require legislation. In conformity with other departments, my department is not initiating legislation this session, except for purely administrative amendments to the Veterans Land Act to enable the experience gained in administering that act to bring about improvements in its flexibility and value to the veteran. But I do not propose to bring in at this session legislation covering the points referred to.

Mr. Knowles: May I ask whether that answer refers to one particular group, not excluding the importance of the others. Does that answer cover the case of the firefighters in all respects? One of the reasons I mention that group in particular is that, in the recommendations made by the veterans affairs committee at the end of their sittings in 1948, there were certain clear-cut recommendations with respect to the firefighters. I remember distinctly that one of the former members of the house, Mr. Eric McKay, the then member for Weyburn, gave notice of a motion to ask the house to approve that report. Word got around that such a motion might stand in the way of what its mover wanted, that there were some things in the report that the government could not accept, and that if that motion were pressed the government would be obliged to ask that it be voted down, and then we would lose everything in it. In the same way word got around to the effect that, if that motion were not pressed, maybe some things like the recommendation with respect to the firefighters would be implemented. I am not asking the minister to comment too much on what happened back in 1948, but I should like to know whether there is any further implementation of the committee's recommendation with respect to the firefighters and perchance other groups that could be carried out without this legislation that the minister says he is not going to introduce.

Mr. Gregg: No. In my opinion, it could be carried out without legislation.

Item agreed to.

Miscellaneous payments—

542. Last Post fund, $125,000.

Mr. Hansell: I should like to ask several questions on this item. I can ask them all at once or one at a time, whichever the minister prefers.

Mr. Gregg: One at a time.

Mr. Hansell: My first question is this. How much is allowed per funeral? Is there a set price allowed or does it fluctuate according to the circumstances of the individual?

Mr. Gregg: For the funeral $75 is allowed, plus the actual cost of the grave and the marker.

Mr. Hansell: That is irrespective of the distance that might have to be travelled?

Mr. Gregg: Yes. That is the maximum allowed.

Mr. Hansell: A smaller amount might be allowed, though; is that not so?

Mr. Gregg: Yes, if the maximum were not needed.

Mr. Hansell: In other words, there is a sort of means test. I do not like to use the term "means test" now, although I think we should use it until it becomes so nauseating that it will be taken out of that legislation. But for want of a better term, is there some sort of examination made of the circumstances and the amount given accordingly?

Mr. Gregg: I am sorry; I did not get the last question.

Mr. Hansell: For instance, is it paid out only to indigents or in cases of need?

Mr. Gregg: Yes.

Mr. Hansell: Is this a yearly appropriation which, if there is any balance left over, is carried over to another year? I notice the terminology used is, "Last Post fund". Is there a fund, and does it build up or fluctuate so that at the end of a year, if moneys are not spent, they revert to the treasury? If they do not revert to the treasury how much is in the fund now?

Mr. Gregg: The unexpended portion reverts to the treasury each year so that the moneys for each year are revoted.

In a word, I should like to refer the committee to the excellent work done by private citizens across Canada who function without pay, without even their expenses being paid, as committees on behalf of the Last Post fund. I cannot speak too highly of them. There is a great deal more in looking after this matter in various sections of our country than appears on the surface. The committee which has functioned and is continuing to function under Mr. Norman Holland, which is national in scope with provincial and district subcommittees, is doing an excellent job. While this amount may appear small for each individual funeral, nevertheless there are activities and services given to the deceased veteran which do not appear in the dollar signs in these estimates.

Mr. Hansell: I would join with the minister in these remarks and I would not criticize at all. In fact, I want to compliment the department on the work they are doing because occasionally, you know, I do have to bury people—and I should like to bury a lot more than I do, that is, politically.

I have found that there is a considerable appreciation among many people of the work done under this fund. I should like to ask one other question. It does not come under this item but I cannot help that, Mr. Chairman, because it does not come under any other item. In that I am like my friend the hon. member for Red Deer. There is a movement on foot, and I think all hon. members have received letters requesting that something should be done to assist the next of kin to visit the graves of their loved ones in war-stricken areas. I asked a question the other day in that respect, and I have forgotten who the appropriate minister was who answered it. The answer was that the government was not doing anything. I can quite understand that they cannot do anything at the moment. The answer also said that the Canadian Legion were thinking of some pilgrimage over to Europe for that purpose. Of course that does not fulfil the desires of many mothers, shall we say, who would like the opportunity of visiting the graves of their sons, because mostly they just cannot afford to go there. I understand that this movement is gaining some momentum in the United States. I do not want any definite answer from the minister because I know that nothing is being done. We shall leave the question over. I suggest that the minister take that angle into consideration if it is at all possible. Perhaps there will be some development as time goes on.

Mr. Gregg: Approximately twenty-five years after the first great war there was a strong desire to revisit battlefields and the graves in Europe. Prior to 1936 the Canadian Legion, in co-operation with all the other veterans organizations, organized what became known as the Vimy pilgrimage. It was conducted entirely by the veterans organizations, and those who went on the pilgrimage themselves, by advanced planning, by working out the scheme with the so-called pilgrims, could pay their fees in advance into a central fund. Some six thousand went across the Atlantic in five ships and unveiled the Vimy memorial and visited the graves in France. That was a great undertaking. It was an undertaking that gave the greatest satisfaction to those who organized it and to those who took part in it. As I say, it was conducted entirely as an undertaking of the veterans organizations themselves and those who took part in it. Recently there have been indications of something of a similar interest. I have had a good many letters, as all hon. members have. The last world war was different. Instead of our casualties being concentrated in one general area they are all over the world. There are many of course without any known graves. I do not feel, at this particular time at any rate, that it is the role of my department to initiate any activities in that regard, particularly since the matter has again been discussed by the veterans organizations, and the president of one of them not so long ago made an announcement that they were attempting a study, as I answered the hon. member the other day, of piecemeal pilgrimages here and there, not on a wholesale scale as before, but in smaller bodies. I am quite sure that inquiries referred to the Legion would receive their attention, and in due course they might be able to do something about it.

As far as the United States is concerned, it has not yet passed any legislation on the matter. As a matter of fact the greater number of their dead have been or are to be moved, as I understand it, back for reburial in the United States.

I should like to refer to a matter which the hon. member for Vancouver-Quadra brought up this afternoon and which quite properly comes under this item. We shall make some arrangements so that in the event of the funeral of a veteran under the Last Post fund, if he dies in hospital, the information will be made available. If it can be done in other deaths we shall attempt to let his old associates or his friends know about it.

Mr. Green: Thank you very much.

Item agreed to.

543. Grant to Canadian legion, $9,000.

Mr. Beyerstein: Can the minister tell me how this grant is given out? Is it a single grant to the federal command, or is it distributed to the smaller branches?

Mr. Gregg: Back about 1930 the department of that day, working in close co-operation on matters of service with the Canadian Legion, recognized that the service bureaux of that organization—the bureau here at dominion headquarters, and other service bureaux with paid secretariat throughout the provinces—were in reality, in the opinion of the department, doing useful work in connection with assembling information and evidence on pensions, and accepting a number of difficult tasks. It was arranged therefore at that time that the department would pay for assistance in maintaining such bureaux an amount of $10,000 in the beginning—and during the depression it went down to $9,000, with the understanding that the Canadian Legion would spend an equal amount for the service bureaux' work. Following it through in recent years they have spent more than three times as much as this amount each year in that work.

Item agreed to.

544. Special grant to the Canadian legion toward the cost of the annual convention of the British Empire Service League to be held in Canada in September, 1949, $10,000.

Mr. Gregg: Even though this item may pass automatically, I should like to say a word about it. Last spring it was indicated to the Prime Minister and myself that this year there was to be held in Ottawa the biennial conference of the British Empire Service League. It had been held only once before in Canada, and in the intervening years, up to the last war, had been held in London, Australia, and so on. As it was held at other capitals within the British commonwealth it had become the custom of governments of those countries to act to some degree as host to the delegates coming from all parts of the empire and commonwealth.

[Mr. Gregg.]

This year, coming to Ottawa, most of them from soft-currency countries, it was considered that this amount should be placed in the estimates to assist in travelling expenses within Canada, and in entertainment here. I am sure those hon. members who saw them lined up in the balcony, representing some twenty-three different countries of the commonwealth, must have felt that it was a rather important occasion, and perhaps worthy of this expenditure.

Item agreed to.

545. Soldier Settlement and Veterans Land Act—to provide for the cost of administration of Veterans Land Act; soldier settlement and British family settlement, $4,447,443.

Mr. Pearkes: Mr. Chairman, I think we have done rather well today. There are many answers which I am sure the minister is anxious to give with respect to the Veterans Land Act. I wonder if we might call it eleven o'clock.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Green: What will be the business for Tuesday?

Mr. Gregg: On Tuesday, which is a government day, we will consider the following bills: Bill No. 2, in committee of the whole, to amend the Supreme Court Act; Bill No. 8, in committee of the whole, to amend the Exchequer Court Act; second reading of Bill No. 9, to amend the Department of Justice Act. At some stage we will move to go into committee of supply, and call three new departments. If the three bills are disposed of we will take up the estimates of the Department of Agriculture.

Mr. Green: Is this for all next week?

Mr. Gregg: For Tuesday. It is understood that from eight to nine o'clock the house will consider public and private bills.

At eleven o'clock the house adjourned, without question put, pursuant to standing order, until Tuesday, October 11.

[The following items were passed in committee of supply]:

DEPARTMENT OF VETERANS AFFAIRS

526. Departmental administration, $2,157,024.

527. District administration, $2,945,528.

528. Veterans' welfare services (formerly rehabilitation services), $3,686,711.

529. Treatment services, $34,478,808.

530. Prosthetic services, $932,850.

Canadian pension commission—

531. Administration expenses, $2,162,225.

532. Veterans bureau, $392,139.

533. War veterans' allowance board—administration, $237,204.

534. Veterans' insurance, $80,705.

Payments to or for veterans and dependents—

535. Pensions for disability and death, including pensions granted under the authority of the civilian government employees (war) compensation order P.C. 45/8848 of 22nd November, 1944, which shall be subject to the Pension Act, $100,664,000.

536. War veterans' allowances, $19,825,000.

537. To authorize under regulations to be approved by the governor general in council the establishment of an assistance fund (war veterans allowance) from which shall be paid supplementary assistance in cases of acute financial distress as may be found to exist from time to time among recipients of benefits under the War Veterans Allowance Act, 1946, $500,000.

538. Unemployment assistance, $75,000.

539. Hospital and other allowances, $4,310,000.

540. Gallantry awards—world war II, $18,000.

Miscellaneous payments—

541. Employers liability compensation, $125,000.

542. Last Post fund, $125,000.

543. Grant to Canadian Legion, $9,000.

544. Special grant to the Canadian Legion towards the cost of the annual convention of the British Empire Service League to be held in Canada in September, 1949, $10,000.

HOUSE OF COMMONS

Tuesday, October 11, 1949

The house met at three o'clock.

CANADIAN NATIONAL RAILWAYS

RETIREMENT OF PRESIDENT AND CHAIRMAN OF BOARD OF DIRECTORS—APPOINTMENT OF MR. DONALD GORDON

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker, I have an announcement to make concerning the office of chairman of the board of directors and that of president of the Canadian National Railways. Mr. R. C. Vaughan, who has been president since 1941, and chairman of the board of the Canadian National since 1942, reached the normal retiring age in December, 1948, but, at the request of the board of directors and with the approval of the government, consented to remain in office until such time as a successor was appointed. It is with deep regret that I announce to the house the retirement of Mr. Vaughan from the post of chairman of the board and president of the Canadian National Railways, to take effect as of January 1, 1950.

There is no need for me at this time to remind the house of the most loyal services performed by Mr. Vaughan, not only to the Canadian National Railways, with which he was closely associated since its inception, but also to the whole of Canada. In the summer of 1939 the government appointed him chairman of the defence purchasing board in Ottawa. All Canadians will recall the numerous problems that had to be solved at that time in order to prepare industry for the war effort, and the defence purchasing board was the first agency on which this responsibility was placed.

In appreciation of his distinguished services, not only with the government, but for his guidance of the largest transportation system in Canada during the war years, Mr. Vaughan, in 1946, was made a Companion of the Most Distinguished Order of St. Michael and St. George.

Mr. Vaughan, when he retires at the end of this year, will terminate a career entirely devoted to transportation. He will have completed fifty-one years of service, having been successively with the Canadian Pacific Railway, the Grand Trunk Railway, the Canadian Northern Railway, and the Canadian National Railways. His first official appointment was in 1910 as assistant to the vice-president and general manager of the Canadian Northern Railway. He became vice-president in charge of purchases and stores and steamships of the Canadian National in 1920. He was appointed president in 1941, and chairman of the board in 1942, at a time when the Canadian National Railways, along with the other railways in Canada, were called upon to transport men and materials in quantities unheard of before in the history of our railway transportation system. This house will agree with me when I say that our national system, under the guidance of Mr. Vaughan, contributed in no small measure to the great achievement made by Canada during the war. My colleagues in the cabinet and the members of this house will, I am sure, join with me in extending to Mr. Vaughan our very best wishes for happiness and peace of mind for many years to come.

By virtue of the Canadian National-Canadian Pacific Act, 1936, the board of directors of the Canadian National Railways have appointed Mr. Donald Gordon to replace Mr. Vaughan as president of the railway company, and the governor in council has today approved their selection and has also appointed Mr. Gordon chairman of the board of directors, both positions effective January 1, 1950.

I would like to take this opportunity to say the government is most gratified that Mr. Donald Gordon has accepted the invitation of the board of directors of the Canadian National Railways and of the government, to assume the heavy responsibilities of these positions. Mr. Gordon is, of course, well known to most of the members of this house. His wartime services as chairman of the wartime prices and trade board made his name a household word throughout Canada, and gave him as well an international reputation. He was a key figure in the mobilization of Canada's economic resources in war, and played a leading administrative role in the subsequent orderly transition to a peacetime economy. In these great tasks, and also in his position of deputy governor of the Bank of Canada, Mr. Gordon has had a wide experience and an intimate knowledge of Canada's financial and economic affairs, domestic and international, in addition to which he has been in close working contact with the day to day problems of industry, labour and agriculture. His qualities of leadership, his gift for organization, and his ability to inspire

loyalty and affection among his working colleagues, are well known to this house; and I am glad that his outstanding talents are to remain at the service of the public of Canada in the position of high responsibility he is shortly to assume.

REPORTS AND PAPERS

TARIFFS AND TRADE—ANNECY NEGOTIATIONS—TABLING OF ANNOUNCEMENT

Hon. Brooke Claxton (Minister of National Defence): Mr. Speaker, I should like to table copies of the announcement dealing with the Annecy agreement, in English and in French.

DIPLOMATIC INSTRUMENTS

Hon. Brooke Claxton (Minister of National Defence): On behalf of the Secretary of State for External Affairs (Mr. Pearson) I should like to table twenty-two documents, which are diplomatic instruments published in the treaty series 1948-49. Perhaps the list might appear in *Votes and Proceedings,* unless hon. members wish me to read it now.

INDUSTRIAL RELATIONS

AMENDMENT OF CHAPTER 54, STATUTES OF 1947-48—ENFORCEMENT REGULATIONS

Mr. Clarence Gillis (Cape Breton South) moved for leave to introduce Bill No. 60, to amend the Industrial Relations and Disputes Investigation Act (enforcement).

Some hon. Members: Explain.

Mr. Gillis: This bill is the same, word for word, as Bill No. 20 which I introduced in the last parliament. It has for its purpose the changing of sections 43, 44, 45 and 46 of the Industrial Relations and Disputes Investigation Act. As the act now reads, when employers and employees bring a dispute before the board, the only power it has is to sit and listen. If the dispute between the two parties cannot be resolved, the board is powerless to do anything except let the parties go back to fighting it out on the streets. This happened, for instance, in the Canadian seamen's union strike.

By this proposed change, if two parties came before the board with a dispute the board would have the authority to determine which party had committed an infraction of the Industrial Relations and Disputes Investigation Act. The board would be empowered to declare one or the other of the parties guilty and then turn the matter over to the magistrate's court. Whatever penalty this act empowered the magistrate's court to impose would be imposed by that court. This amendment would give the board some legal authority, and create respect for it in the minds of those who would be taking disputes before it.

Motion agreed to and bill read the first time.

AMENDMENT OF CHAPTER 54, STATUTES OF 1947-48—VOLUNTARY REVOCABLE CHECK-OFF OF UNION DUES

Mr. M. J. Coldwell (for Mr. Knowles) moved for leave to introduce Bill No. 61, to amend the Industrial Relations and Disputes Investigation Act (revocable check-off).

Some hon. Members: Explain.

Mr. Coldwell: Mr. Speaker, this bill adds a new subsection 3 to section 6 of the Industrial Relations and Disputes Investigation Act. The effect is to provide for the voluntary revocable check-off of union dues.

The wording of this subsection is precisely the same as the wording of the subsection that was approved by the industrial relations committee of this house in 1948.

Motion agreed to and bill read the first time.

PRIVATE BILLS

FIRST READINGS—SENATE BILLS

Bill No. 15, for the relief of John Henniker Torrance.—Mr. Winkler.

Bill No. 16, for the relief of Edith Harriet Black Hambly.—Mr. Winkler.

Bill No. 17, for the relief of Margaret Reid O'Connell.—Mr. Winkler.

Bill No. 18, for the relief of Alton Charles Bray.—Mr. Winkler.

Bill No. 19, for the relief of Kathleen Gertrude Macartney Dorken.—Mr. Winkler.

Bill No. 20, for the relief of Louise de Forest MacAlpine.—Mr. Winkler.

Bill No. 21, for the relief of Jessie Fraser Blaiklock Stewart.—Mr. Winkler.

Bill No. 22, for the relief of Alice Lafond Burnham.—Mr. Winkler.

Bill No. 23, for the relief of Muriel Annie Elizabeth Hicks Kurtzman.—Mr. Winkler.

Bill No. 24, for the relief of Robert Walsham Herring.—Mr. Winkler.

Bill No. 25, for the relief of Leta Helen Butler Waller.—Mr. Winkler.

Bill No. 26, for the relief of Violet Blodwyn Young Murdoch.—Mr. Winkler.

Bill No. 27, for the relief of Joseph Tannenbaum.—Mr. Winkler.

Bill No. 28, for the relief of Isabel Christine MacLean Robinson.—Mr. Winkler.

Bill No. 29, for the relief of Marie Annette Vallieres Handfield.—Mr. Winkler.

Bill No. 30, for the relief of Nicholas Kouri. —Mr. Winkler.

Bill No. 31, for the relief of Viateur Fortier. —Mr. Winkler.

Bill No. 32, for the relief of Lois Elizabeth Rolph.—Mr. Winkler.

Bill No. 33, for the relief of Madeleine Dunn Landry.—Mr. Winkler.

Bill No. 34, for the relief of Arthur Joseph D'Avignon.—Mr. Winkler.

Bill No. 35, for the relief of Jessie Gwendolyn Paul Giroux.—Mr. Winkler.

Bill No. 36, for the relief of Celia Maria Gabrielle de Costa Baxter.—Mr. Winkler.

Bill No. 37, for the relief of Dorothy Amelia Beattie Harrison.—Mr. Winkler.

Bill No. 38, for the relief of Rosaline Laham Anber.—Mr. Winkler.

Bill No. 39, for the relief of Anna Starzynski Sztafirny.—Mr. Winkler.

Bill No. 40, for the relief of Marjorie Claire Dickison LeMieux.—Mr. Winkler.

Bill No. 41, for the relief of Dorothy Ruth Brown Bailey.—Mr. Winkler.

Bill No. 42, for the relief of Lorne Bradbury Ashton.—Mr. Winkler.

Bill No. 43, for the relief of Harry James Seaban.—Mr. Winkler.

Bill No. 44, for the relief of Julia Seram Odenick.—Mr. Winkler.

Bill No. 45, for the relief of Myrtle Elizabeth Howat Brammall.—Mr. Winkler.

Bill No. 46, for the relief of Francis Gilmer Tempest Dawson.—Mr. Winkler.

Bill No. 47, for the relief of Imelda Poirier Tremblay.—Mr. Winkler.

Bill No. 48, for the relief of Joseph Charles Paul Emile Chales.—Mr. Winkler.

Bill No. 49, for the relief of Robert Mason Watson.—Mr. Winkler.

Bill No. 50, for the relief of Catherine Alexandra Mackenzie Mitchell.—Mr. Winkler.

Bill No. 51, for the relief of Irene Filion Primeau.—Mr. Winkler.

Bill No. 52, for the relief of Mary Jean Strachan Taylor.—Mr. Winkler.

Bill No. 53, for the relief of Edna Kate Folley Dickenson.—Mr. Winkler.

Bill No. 54, for the relief of Gerald Geoffrey Racine.—Mr. Winkler.

Bill No. 55, for the relief of Yvonne Marshall Balfry Corbin.—Mr. Winkler.

Bill No. 56, for the relief of Colleen Ethel Thornhill Clark.—Mr. Winkler.

Bill No. 57, for the relief of Leith Albert Anderson Baldwin.—Mr. Winkler.

Bill No. 58, for the relief of Marie Jeanne Martin.—Mr. Winkler.

Bill No. 59, for the relief of Irene Emily Katerelos Stones.—Mr. Winkler.

45781—42½

Inquiries of the Ministry

FISH INSPECTION ACT

FISH AND FISH CONTAINERS—MARINE PLANTS —EXPORT AND IMPORT REGULATIONS

Hon. R. W. Mayhew (Minister of Fisheries) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to present a measure for the purpose of regulating the inspection of fish and fish containers and of marine plants for export and import, and to provide for the appointment of inspectors and other officers and employees required for the proper administration of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

TARIFFS AND TRADE

ANNECY NEGOTIATIONS—RATIFICATION BY PARLIAMENT

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): I should like to ask the Acting Secretary of State for External Affairs whether the tariff changes involved in the Annecy agreement, which were announced today, will require action on the part of parliament?

Hon. Brooke Claxton (Minister of National Defence): That is correct, yes.

Hon. Douglas Abbott (Minister of Finance): As in the case of the Geneva tariff changes, provisional agreement will be made, but they will ultimately require the approval of parliament.

ANNECY NEGOTIATIONS—IMPERIAL PREFERENCE —"CANADA A REPUBLIC"

On the orders of the day:

Mr. T. L. Church (Broadview): On the front page of the *Globe and Mail* for Monday, October 10, the following headline appears:

Pact commits Canada to sixty-one tariff reductions. Concessions on seventy items under Annecy agreement; thirty-three countries in trade group.

This paper also contains a report of an address made by the High Commissioner to the United Kingdom on the same subject. Mr. Wilgress welcomes this step. I should like to ask the government whether he represents government policy on this question. What is the effect of that policy on empire preference—which should be first, last and always in our minds—and on trade within the empire?

Hon. Brooke Claxton (Minister of National Defence): I shall look at the hon. member's question in *Hansard* and endeavour to give him an answer tomorrow.

Mr. Church: The empire should come first. It has not very many friends.

I should like to ask the government a second question. I call attention to an editorial in a New York paper, and I want to know if this is government policy. An article was published yesterday in the Toronto *Globe and Mail* and also in the *Citizen* here. The heading is "Canada is a Republic." Your paper here quotes the New York *World Telegram* as saying editorially that the dominion has become one of the world's great powers, and describing it as a republic. I would ask if that is government policy.

Right Hon. L. S. St. Laurent (Prime Minister): Government policy is related to the facts as they exist, but only when and after they have been brought into existence.

Mr. Church: The editorial forgets that Canada is still part of the British empire and always will be.

NOVA SCOTIA APPLES

REFERENCE TO GIFT BY MEMBER FOR ANNAPOLIS-KINGS

On the orders of the day:

Mr. G. A. Cruickshank (Fraser Valley): One of the maritime members was kind enough to make us a present of some apples. I should like to ask the Minister of Agriculture or his officials what they are.

Mr. A. A. Elderkin (Annapolis-Kings): On a question of privilege, Mr. Speaker, the hon. member for Fraser Valley (Mr. Cruickshank) made a reference to something he held in his hand but which he was careful to hide behind his back; and either because of the location of my seat in this chamber or because his voice was so choked as a result of eating those dry British Columbia apples, I was unable to hear what he said. The samples of apples I had here were of a size and variety many people think should not be sold in Canada, but I wanted to demonstrate that these apples did have very desirable eating qualities. In due course I propose to distribute some which will be as large as and very much better than the British Columbia apples about which we hear so much. I also have in cold storage a quantity of another variety and size not well known in Canada but greatly preferred by the British people before the war.

Mr. Speaker: Order. I think perhaps the hon. member has stated his question of privilege sufficiently.

Mr. Graydon: Come up to Peel and get some real apples.

[Mr. Claxton.]

CATTLE

COMPENSATION FOR TUBERCULOSIS REACTORS

On the orders of the day:

Mr. C. D. Coyle (Elgin): Will the Minister of Agriculture clarify the situation with respect to compensation for t.b. reacting cattle? This question is being asked in the light of requests from farm organizations.

Right Hon. J. G. Gardiner (Minister of Agriculture): The position is that the bill providing for a further amount for cattle that are slaughtered on account of t.b. was passed by council this morning, to be sent on to this house for consideration. When it is here, it will be fully discussed.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed, from Tuesday, October 4, consideration in committee of Bill No. 2, to amend the Supreme Court Act—Mr. Garson—Mr. Dion in the chair.

The Chairman: At its last sitting the committee was considering clause 3, to which Mr. Fulton had moved the following amendment:

Subject to any enactment of the parliament of Canada or the legislature of any province in exercise of their respective powers, the Supreme Court of Canada shall be bound by the law as declared in all orders of His Majesty in council hitherto made on the advice of the judicial committee of his privy council and in the reasons assigned therefor by the said judicial committee, in so far as the said law is applicable to Canada.

Mr. Fulton: There are just one or two further observations I wish to make in connection with this amendment. They arise out of remarks which have been made by the Prime Minister and the Minister of Justice.

I believe it would be useful if the attention of the committee and of the country were directed to the fact that, in their apparent haste to press this bill through to its conclusion early in this session, the government, through the two hon. gentlemen to whom I have referred, have taken an extraordinary position with respect to the recommendations made by the Canadian Bar Association. We have seen the deliberations and recommendations of that responsible body treated with scant respect. I am not inclined to question the fact that the government had recently been returned with a substantial majority.

Some hon. Members: Hear, hear.

Mr. Fulton: That statement apparently meets with the approval of some hon. gentlemen in the house. But, as has been pointed out, that majority is not going to vanish over-

night. It is going to last presumably for five years or at least for four years. None of the gentlemen I see in the house shows any sign of illness. Therefore I think the request that the matter be treated with due deliberation is one which is logical and reasonable. That was the initial request made by the bar association. The second request was for a guarantee—I do not think it is going too far to call it that—of the principle of *stare decisis*, and that is the matter which we are debating in this amendment. But even that request of the bar association has been treated with little respect by the Prime Minister, the Minister of Justice, and one other government spokesman to whom I shall refer. The Prime Minister went so far as to say that the comments of the president of the Canadian Bar Association were not within that gentleman's right or province to make. I will read the remarks of the Prime Minister as reported at page 530 of *Hansard* of October 4. When the right hon. gentleman's attention was drawn to the fact that although the resolution passed by the bar association did not call for the incorporation in the bill of any provision which would in words preserve the principle of *stare decisis*, the president of the bar association had specifically said that the resolution, in the light of the discussions which had taken place, did intend that such a provision should be incorporated in the measure, the right hon. gentleman used these words with respect to the statement of the president of the bar association:

> I submit with all respect that no one man, whatever be the position he occupies in the Canadian Bar Association, and I have occupied the office of president of that association—in my day—has the right to enlarge or modify the terms of the resolution adopted by that association.

Mr. Pouliot: Hear, hear.

Mr. Fulton: I am glad to hear the hon. member for Temiscouata say "hear, hear," because we now know where he stands. I must confess I found it rather difficult to follow his remarks in this connection on an earlier occasion.

Here we have the responsible head of the Canadian Bar Association, who was present when the resolution was passed, making the statement to which I have referred. Who, may I ask, is entitled to comment on the meaning of that resolution if it is not the president of the association? Are we to take it that this subject is so sacred, and the wishes of the government majority so overpowering, that no one in this committee or in the country has the right to comment on this matter? That is the effect of the position taken by the Prime Minister. He questions the propriety of the president of the bar association saying what was intended by that resolution. I draw to your attention, Mr. Chairman, the fact that the president of the bar association has left no doubt as to what he takes to be the meaning of the resolution. After the discussion in the house had begun, he made a statement in Saint John, New Brunswick, as to the meaning to be attached to the resolution. He was reported in the press of September 28 as follows:

> Though it is the practice for the supreme court to abide by the rule of *stare decisis*, Mr. Carter said, it is not bound inflexibly to do so. Such an enactment by parliament would safeguard provincial and minority rights, he said.

The enactment to which the president of the bar association had reference was one along the lines of the amendment which we are discussing here today. I believe it is incumbent upon this committee to consider and attach the greatest weight to the words of the responsible president of the Canadian Bar Association in discussing the meaning of the resolution which that association passed.

In the bill now before the house, Mr. Chairman, there could not be anything much less than there is now. What we have before us in the clause under discussion is a simple enactment that the Supreme Court of Canada shall have final and exclusive ultimate jurisdiction in respect to all cases arising in Canada. There could not be a much simpler declaration than that appeals to the privy council are abolished. It is not embroidered; it is without qualification. Therefore the resolution of the bar association must have had some meaning. If you take the simple proposition that appeals to privy council are to be abolished, that is what we have before us, and the bar association passed a resolution with respect to that proposition. I submit, sir, that they must have hoped that that resolution would be given some practical significance in the measure which is being considered. The only way in which that can be done is by some modification of the provisions of this bill. Having regard to this fact, taken in conjunction with the statement of the responsible president of the association that he thinks it desirable or essential that some such provision be incorporated in the legislation, I submit that this committee should give it the most serious consideration, and I suggest it is less than proper to say that the president of the association had no right to use these words or to enlarge in any way upon the meaning of the resolution.

As I have said, we have had that suggestion from the Prime Minister; we have had criticism of the Canadian Bar Association, ranging from the one expressed by the right hon. gentleman all the way down to the one

expressed by the hon. member for Inverness-Richmond on October 4, as reported at page 533 of *Hansard*, where, dealing with the resolution of the bar association, he is reported as having said:

I want to say that, so far as section (g) is concerned,—

And he was referring to section (g) of the resolution.

—in which it says the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the Supreme Court of Canada, a great deal of effrontery was shown by the committee of that organization in passing this resolution.

Here again we have the suggestion to which I have referred, namely, that this matter is somehow so sacrosanct, and the desires of the government majority in this house are so sacred, that the responsible body of the bar association, amongst whose members are numbered a great many judges, is "showing effrontery" when it even dares to deal with the subject matter of this resolution. It is a most extraordinary suggestion. If there were nothing else, that very attitude would be sufficient justification to make us pause and ask ourselves whether there is not something behind all this which it would be well for us to look into.

In fact I think there is a great deal behind it. One can gather what is behind it when one remembers the attempt which has been made again by the Prime Minister and the Minister of Justice to suggest that anyone who supports this proposed amendment must lack confidence in the Supreme Court of Canada. By this means, an attempt is made to whip up prejudiced feelings in support of the government's position and against the suggestion that the amendment be viewed on its merit. With respect, that is one of the most illogical positions I have ever seen the right hon. gentleman take. It is most illogical for him to attempt to distort the plain meaning of the words of this amendment out of their context and to read into them an expression of want of confidence in the Supreme Court of Canada. For him to say that those who would vote in favour of this amendment thereby indicate their lack of confidence is as illogical as it would be for me to say that those who are opposed to the amendment oppose it in fact because they do not want to see the Supreme Court of Canada bound by the rule of *stare decisis*.

When one observes the vehemence of the attempt to arouse prejudice which is displayed by the government, one wonders whether in fact that is not the motive behind their opposition to this amendment. I know we have the greatest verbal tributes paid to the principle of *stare decisis*, and we have the utmost assurance, in words, that the Supreme Court of Canada will of course always follow that principle. But when it comes to the simple fact, Mr. Chairman, of a request to incorporate that provision in the statute, we find hon. gentlemen opposite saying "Oh, no; we cannot go that far, because it would be an expression of want of confidence in the Supreme Court of Canada." You know, Mr. Chairman, as well as every other lawyer in this committee and a good many laymen as well, that courts in interpreting statutes interpret only the words in the statutes; they even look at what the Prime Minister may have said with regard to the intention of the government when the legislation was enacted.

Mr. Pouliot: That is a wrong judgment of the privy council.

Mr. Homuth: It is not.

Mr. Pouliot: That *Hansard* could not be quoted before the court.

Mr. Homuth: No, it cannot be.

Mr. Pouliot: It was decided by the privy council, and it is a bad judgment.

Mr. Fulton: We all know what the hon. gentleman who has just spoken thinks about the privy council, and I do not think the interjection need be dealt with. But the hon. gentleman knows as well as I do, and as well as the Prime Minister and the Minister of Justice know, that the established rule of law is that, in interpreting statutes, the courts look only to the words of the statute.

Mr. Pouliot: That is one of the silly judgments of the privy council.

Mr. Fulton: If the hon. member wishes to use those words, he is by that very use condemning all the courts in Canada and putting them all in the same category.

Mr. Pouliot: Because they follow the jurisprudence of the privy council, that silly court.

Mr. Fulton: I know it is beyond me to deal with the wit and wisdom of the hon. member for Temiscouata; therefore I shall confine myself to the fact that every court in Canada follows that rule; and, quite apart from the principle of *stare decisis* or anything else, it is the rule of law which is followed by the courts in interpreting statutes.

As a responsible legislative body if we want to make perfectly clear the laws we wish the Supreme Court of Canada to follow in exercising what is to be their new and enlarged jurisdiction as the ultimate and final court of appeal, I submit we have no alternative but to make it clear what we mean by voting for the amendment which is now before the committee.

Mr. Pouliot: Would the hon. member be kind enough to tell the committee what is the link between the privy council and the Supreme Court of Canada as it is now?

Mr. Fulton: I do not know what the hon. gentleman means by that term. Perhaps he would be good enough to enlarge upon it.

Mr. Pouliot: It is the woolsack. It is a bag of cotton covered with cloth, and it is put in front of the Speaker's chair in the Senate at the time of the opening and prorogation of parliament. The judges sit on it, like urchins. Some of them face His Excellency the Governor General, while the others turn their backs on him. But they sit on the woolsack because it was done in England in the middle ages. The privy council sit on the woolsack—indeed we should have a woolsack here in the House of Commons, and we should sit on it, so that the hon. member for Eglinton and the hon. member for Kamloops might sit at opposite ends, each with his back to the other.

Mr. Fulton: Not so long as this government is in power.

Mr Pouliot: No, because those who sit on the woolsack are not supposed to take part in the deliberations; therefore while sitting on the woolsack they would not keep their minds in such a state of effervescence as to deliver unforgettable orations.

I am glad my hon. friends are smiling; it shows they have a greater sense of humour than I expected them to have. I want them to ask the Clerk of the Senate to take them to the attic of the Senate so that they may brush away all the cobwebs and look at that bag of wool before it is all eaten by the moths. They might sit on it, just to see what it is like to be lord chancellor.

The woolsack has such importance in the history of the British parliament that the position of lord chancellor is sometimes described as the woolsack. Occasionally they refer to the lord chancellor in terms of the bag of cotton on which he sits. I find, sir, that it is a tremendous joke; and the first thing to do, as soon as this bill respecting the supreme court as a final tribunal is passed, is to dispense with the woolsack and to let the moths eat it completely. If my hon. friends want to see it they will have to rush to the attic of the Senate.

Mr. Hunter: Mr. Chairman, I have been a member of the Canadian Bar Association for many years, and as such it was my privilege and pleasure this year to attend the meeting at Banff. Banff is a delightful spot, and despite the seriousness of the profession there seemed to be a certain lightheartedness and frivolity in connection with what took place. On the golf course, while teeing off during session hours, I noticed a number of learned gentlemen teeing off ahead of me, some of whom were members of His Majesty's bench. Therefore I suggest it is fair to say that the frivolity at the convention was not confined to the minor satellites of the profession, such as myself, but applied generally.

I believe all who attended the Banff convention enjoyed it to the full. There must have been considerable entertainment on the Friday evening, because I recall that when I went to the convention room on Saturday morning at ten o'clock, upon which occasion the resolution referred to, and which is being used as an argument to bolster the amendment, was passed, I was astonished to observe the vacuum in the room. When I went into the large ballroom at the Banff Springs hotel that morning I am sure there were about two dozen lawyers in attendance. As time went on and this resolution came up for consideration, there may have been as many as three dozen there. The interest shown in the resolution was singularly exciting.

The resolution came up, and whether it was because of lethargy or not, there seemed to be no murmur of disapproval or of approval, and it was passed. I suggest that this resolution is being used in support of the amendment without any explanation of the circumstances which prevailed. Conventions are attended by people who want to enjoy themselves,. While I am not challenging the seriousness or the wisdom of the committee which passed the resolution or prepared it for submission to the general meeting, I suggest that approval of the resolution was given by a very small number of members of the Canadian Bar Association in attendance at that annual meeting.

I do not know whether the hon. member for Kamloops was present on that occasion, but I am convinced that if he had been, he would be only too happy to confirm what I have said.

Mr. Homuth: No, no.

An hon. Member: Were you there?

Mr. Homuth: I am everywhere.

Mr. Hunter: I do not remember the hon. member for Kamloops being present on the Saturday morning when this resolution was passed, but if he was there I am sure he will not recall any lively debate, either in approval or in disapproval of the resolution. However, if the hon. member was there, he must have been in the same somnolent state as the rest of those of us who were present.

Mr. Fulton: That is a great compliment.

Mr. Hunter: Despite what the hon. member has just said, the resolutions were passed in

a routine fashion, and the interest shown was not very great. It was assumed that committees had gone into these matters with care —and I am not suggesting that in the present instance the committee did not exercise the same care. But I do emphasize the fact that the number of people present on that occasion did not in my humble opinion constitute a representative gathering of the Canadian Bar Association.

Mr. Fulton: Mr. Chairman, while the remarks of the hon. member who has just taken his seat are not the least bit pertinent to the subject matter under consideration, they do call for some reply.

I am frank to admit that I was not at the meeting of the Canadian Bar Association. Unlike the hon. member, however, I believe I am frank when I say that had I been there and a resolution of this importance had been presented to me, I would have treated it with the seriousness it deserves. Certainly I cannot accept the hon. member as spokesman for the majority of those who attended the convention of the Canadian Bar Association. I have more respect for my profession than to accept what he has said as the true state of affairs at the meeting.

One does not wish to go too far in these matters, but I suggest it is safe to say that if the hon. member regards the deliberations of the highest council of his profession with the levity with which apparently he does regard them, then he should not be accepted in the House of Commons or in the country as a spokesman for that profession.

Mr. Carroll: Before the hon. member for Kamloops takes his seat, would he kindly read the further remarks in my address from which he quoted? If my memory serves me aright, I said distinctly that I did not think the Canadian Bar Association could be accused of casting any reflections on the Supreme Court of Canada or any other tribunal. Would the hon. member kindly read that?

Mr. Fulton: I shall be glad to do so. I certainly did not intend to do any injustice to the hon. gentleman. I felt, and I still feel, that the words of his which I read were apposite. If the hon. member thinks that it will help to clear the record, I shall read his further remarks. The words I was reading were:

> I want to say that, so far as section (g) is concerned,—

That is section (g) of the resolution of the bar association:

> —in which it says the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the Supreme Court of Canada, a great deal of effrontery was shown by the committee of that organization in passing this resolution.

Those are the words which I read. Then the hon. member went on to say:

> It may not have been with the intention of throwing any doubt on the integrity of the Supreme Court of Canada, but I say I believe the judges of the Supreme Court of Canada know as much as the bar society of this country about their rights in keeping the theory of *stare decisis* intact.

However, I was making the point that the hon. member had cast a certain amount of reflection on the resolution passed by the Candian Bar Association, and I think the hon. member will agree with me that the words I read were the relevant words in that connection.

Mr. Church: I should like to say a few words on section 3. The marginal note to this section reads:

> This is new. The amendment will abolish appeals to the privy council.

If this court is to be the final court, then we are back to where we were a few years ago.

The Chairman: I ask the hon. member to confine his remarks to the amendment under consideration.

Mr. Church: I am not discussing the principle of the bill.

The Chairman: The hon. member will have to confine his remarks to the amendment.

Mr. Church: I happened to be out of the house and I did not hear the text of the amendment, but I understand that it refers to the application of the principle of *stare decisis*. That is a principle of law; it is not an act of parliament. The amendment seeks to have this principle read into the section. A very large body of public opinion in this country favours this amendment, and believes it would save this country a great deal of trouble in the future. The principle of *stare decisis* would apply to the decisions which have been given so far by the privy council.

I remember raising this question when I first entered the house in connection with two cases before the privy council. It is difficult to deal with this problem without having it sent to a committee. We on this side of the house have adopted a consistent policy in this regard. This is something which should be decided by the high court of parliament under the British constitution which we have had in this country since 1791, or as much as was applicable to our circumstances. This whole question is still before us.

This doctrine of law should be applied in the manner indicated by the amendment. I am not discussing the principle of the bill, because, as I see it, the principle of the bill is written into the amendment. So far as I can see, there is very little legal principle in the bill. I am not speaking personally because I have a great deal of respect and admiration for the Prime Minister and the way in which he has conducted the business of the house. No one has a higher opinion than I have of the Prime Minister.

As I say, this doctrine should be written into the statute. I can find little principle in the bill—legal, political or otherwise. It must be realized that for many years the judicial committee of the privy council has been enforcing doctrines of law, especially where they are founded on contract.

I remember two decisions of the privy council in connection with which I played a humble part. We should hold fast to the principles of our faith and be strong when we consider this amendment. What is more sacred than a contract? A contract between individuals can be enforced, and a nation is only a collection of individuals. There should be some method of enforcement as between nations.

We of the opposition have taken a consistent stand on this bill. We should stand firm on the principle that the state exists for the individual and not the individual for the state. This particular proposal interferes with the liberty of the subject; it encroaches on his rights and privileges. It should be scrutinized first by a legal committee. Both the bill and the amendment should be sent to a committee and I wish the minister would give his consent to that. Then we would not have to thresh out these legal problems in the house.

I believe I represent a large body of public opinion in the country. All I have said this afternoon has been based on the law of contracts; and what is the contract here? It was made at the time of confederation. If you want to treat the whole contract set forth in the British North America Act as a scrap of paper, and rewrite it, then write it for the living and not for the dead. If we are to have a new bill, let us have a proper legal measure which will have some regard for the law and the decisions of the privy council, which are binding under the doctrine of *stare decisis*.

This bill and these amendments should go to a committee, because in my view the decisions of the judicial committee of the privy council have protected not only minorities but majorities as well. They have been defenders of the faith, as it were, since the setting up of the contract under the act in the first place. To upset the whole thing now would be a grave mistake. A large body of opinion, including three former ministers of justice and attorneys general, has been opposed from the beginning to any change of this kind.

In my opinion there is very little to this bill, and as far as I can see it is not founded upon fact, nor does it include the protection for which I have asked. I do not know why these things are brought up at the present time. What is the rush to put through this legislation? There seems to be a great hurry to pass it, though we have nine or ten other matters awaiting our consideration. I can see no reason at all for not letting this bill stand for a few months, so that it may be properly considered and digested by the judges, the bar associations, and many other bodies. This is separatism in its worst form. It would lead to the disruption of the whole British empire.

Mr. Coldwell: This discussion has been largely confined to members of the legal profession in the house. I do not profess to be learned in the law, but it seems to me that in dealing with these legal matters we are rather losing sight of important aspects of this problem. I believe it is right and proper to give due consideration and some weight to the opinions of such an organization as the Canadian Bar Association, just as we give consideration—though, I may add, usually not as much—to the views expressed by such organizations as the Canadian Federation of Agriculture or the national labour bodies. But having given consideration to those opinions, this house must come to a final decision as to what shall be done.

I have listened to the discussion on this question of *stare decisis*, and to me it seems that to accept it unreservedly would place this country and its judiciary in something of a strait-jacket. In my reading of the British North America Act and the discussions preceding the adoption of that act in 1867, the fathers of confederation thought of it in the way that was described by Lord Sankey in 1929—which, I may add, is quoted in an excellent speech, which I think hon. members should read, by the late Hon. C. H. Cahan before the Canadian Club of Toronto on September 15, 1937. I do not know of a clearer exposition of the problem before us than can be found in the speech made on that occasion by one who had been secretary of state in the Bennett administration. The expression Mr. Cahan quoted then, which incidentally is also quoted by MacGregor Dawson in his book "Constitutional Issues in Canada, 1900-1931", was this:

> The British North America Act planted in Canada a living tree capable of growth and expansion within its natural limits.

Then Mr. Cahan added this comment:

> But that dictum has been arbitrarily repudiated by more recent decisions of the judicial committee, which have confined our constitution in a strait-jacket of their own making, and thus precluded the possibility of our Canadian constitution being developed in the future by judicial decisions, in accord with the clearly expressed intentions of the Canadian statesmen who framed the first British North America Act.

It seems to me that is a cogent paragraph, and the opinion expressed therein should be considered by this house in dealing with the proposed amendment. In very much the same connection, in the volume by MacGregor Dawson, to which I referred a moment ago, there is a quotation from an article by George F. Henderson in the *Canadian Bar Review* for November, 1929, at pages 617-619, in these words:

> Under ordinary circumstances, a criticism of a judgment of the judicial committee of the privy council is inadvisable, but a recent decision of that tribunal, in Edwards et al *v.* the Attorney General of Canada et al, has attracted so much attention and has led to so much press criticism of the Supreme Court of Canada that proper respect for the administration of justice in Canada demands examination and comment.

Then he adds these words:

> Probably the first thought that will occur to one who makes a careful study of the two judgments is that while the supreme court, like the House of Lords, is a court of law, subject to all the restrictions which that fact implies—

Then these are the words to which I wish to direct attention:

> —the privy council is a committee advising the sovereign, not bound to follow precedent nor to determine matters presented upon grounds of law alone, but entitled, if not obliged, to advise on grounds of public policy, and to take into account matters of political expediency. Indeed, the privy council does not consider itself bound by its own previous decisions; nor do English courts regard judgments of the privy council as authoritative.

If that is so, it seems to me that any attempt to fasten upon Canada the past judgments of the privy council would defeat the very objective the fathers of confederation had in view at the outset—the planting of a living tree capable of growth and development in the future. In spite of the learned discussion we have had from hon. members on this side of the house, and having due regard to the opinions of the bar association, I do not think we should tie the hands of our judiciary by adopting the kind of amendment that has been moved by my hon. friends of the Conservative party. I speak only as a layman, but as a layman I believe that sometimes the law has been made to bind the hands of progress, and interpretations have been given which have interfered with the progress and welfare not only of our own country but of many other countries as well. I certainly think the house should vote against this amendment and leave the hands of our own court free, confident that previous decisions involving the rights of our people will be given due consideration.

If we look over the judgments of the privy council—and this is why I cannot understand the attitude of people in some parts of Canada—we find that it has not been a protector of the rights of either majorities or minorities. This can be verified by a reading of certain decisions of the privy council. I am not going into them in detail, but I should like to draw attention to them, as quoted in MacGregor Dawson's volume from an article by Professor F. R. Scott dealing with the judiciary, beginning at page 347. As a layman I cannot see the sense of this house agreeing with some of the members of the legal profession who have spoken and who would tie the hands of the judiciary in the manner suggested by the amendment.

Mr. Fleming: I believe this matter has been sufficiently discussed, and I should not be saying a word now if it were not for the remarks just made by the member for Rosetown-Biggar. Because those remarks have not very much weight, I shall be brief.

In the first place, this amendment has nothing to do with the question of abolishing appeals to the privy council. The principle of the bill was adopted by the house on second reading. The amendment has relevancy only on the basis that the house has decided to abolish appeals to the privy council.

My friend talks about trying to put the Supreme Court of Canada in a strait-jacket, as though that were to be the effect of the amendment. After hearing the hon. member's remarks, all I have to say is that if his view reflects the lay mind of this house, as he seems to suggest, then the matter is not clearly understood. It is apparent from what the hon. member has said that he does not understand the issue.

The member for Rosetown-Biggar seems to believe that the attitude of those who are opposing the amendment is that they are leaving the Supreme Court of Canada free, not bound by past decisions of the privy council. Certainly that is not the view of the Prime Minister, nor is it the view of the Minister of Justice. The argument advanced by them was that the doctrine of *stare decisis* is binding on the Supreme Court of Canada. This would mean that all those past decisions of the privy council are binding on the Supreme Court of Canada, whether or not such an amendment is adopted. Let us not have any empty talk, Mr. Chairman, about the effect of defeating an amendment such as this being to remove the shackles from the

Supreme Court of Canada. When it comes to an opinion on that point, as between the Prime Minister and the Minister of Justice on the one hand, and the member for Rosetown-Biggar on the other, I prefer the view of the Prime Minister and the Minister of Justice. In the plainest of terms they said that in their opinion the principle of *stare decisis* applies and will bind the Supreme Court of Canada in the future with respect to past decisions of the privy council. If that is putting the Supreme Court of Canada in a strait-jacket, then certainly it is the view of the government that the strait-jacket should remain.

Mr. Coldwell: Why write this into a statute, then?

Mr. Fleming: Because I do not think it is as clear as the Prime Minister and Minister of Justice contend. We do not wish to leave a matter of this vast importance to doubtful disputation after the event. This amendment is intended to settle the question. If we are to take this important step, Mr. Chairman, I think all hon. members ought to be quite clear about the argument. The argument advanced by the hon. member for Rosetown-Biggar is that, in principle, the Supreme Court of Canada ought to be free to disregard past decisions of the privy council in relevant matters. I ask every member of this house who adopts the view of the hon. member for Rosetown-Biggar to go to his constituency and say it is his opinion that the Supreme Court of Canada should be free to disregard the decisions of the privy council in those important constitutional cases in which the privy council has made decisions of the most far-reaching importance to all Canada. If hon. members feel they do not want the principle of *stare decisis* applied, let them go the whole way and say that in future the decisions of the privy council upon which rest the fundamental rights of the provinces should not bind the Supreme Court of Canada. That would leave the supreme court free to rewrite those decisions, and in that way recast the constitution.

Mr. Pouliot: Mr. Chairman, thinking about what has been said, I would say that a layman is surely not the hon. member for Rosetown-Biggar.

Mr. Stewart (Yorkton): It is not my intention to cover ground that has already been covered in this debate. The matter has been well argued in the house, particularly by the Prime Minister, the Minister of Justice and those favouring the amendment. The amendment simply means that those who have moved it feel that the Supreme Court of Canada is likely to depart from the decisions of the privy council; that is a summary of it. It is conceded by those who support the resolution that in the past the Supreme Court of Canada has followed the decisions of the privy council. I asked the hon. member for Kamloops what he was afraid of, but so far he has not told me.

Since the Supreme Court of Canada has followed the decisions of the privy council, where is the necessity for this amendment? My hon. friends say there are two reasons for it. They seem to be afraid that the supreme court might not follow that practice in the future, although it has in the past. At the head of this government there is a responsible lawyer, a man in whom the bar of this country has absolute faith. After this bill is passed and the Supreme Court of Canada is strengthened, you will see that the court will follow the past decisions of the privy council and will earn the confidence of all.

Those who are supporting the amendment say that if we do not pass it we shall not be following what the Canadian Bar Association adopted at its convention. As the Prime Minister has pointed out, the Canadian bar did not say that the requirements to follow the principle of *stare decisis* should be made a part of the law. I believe the remarks of the member for Kamloops with regard to the member for Parkdale were very unfair. The member for Parkdale was at the convention, but the member for Kamloops was not. I cannot understand why he should question what the member for Parkdale said about the convention. The Prime Minister and many other members of this house have been members of the bar for many years. I am a past president of the bar society of Saskatchewan. Most of us have been attending these conventions for a long time. I have complete confidence in what the member for Parkdale has said with respect to what happened at that convention.

I believe the subject has been discussed more fully in this house that it was at the Canadian bar convention. Having been one of the benchers of our law society, I believe it to be the duty of hon. members who are lawyers to act as members of this house and not as carrier pigeons for the Canadian Bar Association or any other association. We sit in this house as representatives of a constituency. I sometimes think the dignitaries in the Canadian bar and other associations might do well to run as members of parliament. It would be an education for some of those gentlemen who have sat in positions of safety for the last few years and attended bar conventions. They are the people who tell the legislators what their duty is.

I do not see any real object behind this amendment, Mr. Chairman. If all hon. members supporting the amendment were as frank as the member for Parkdale, they might say: We do not believe in this amendment at all; we still believe in appeals to the privy council, even if it costs Canadians more money and demonstrates that Canadians cannot run their own courts. But instead of saying that, they introduce an amendment which, in effect, does nothing more than say that the proposer does not trust the Supreme Court of Canada. I am opposing the amendment.

The Chairman: Those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Chairman: Those opposed to the amendment will please say nay.

Some hon. Members: Nay.

The Chairman: In my opinion the nays have it.

Mr. Fulton: On division.

Amendment (Mr. Fulton) negatived.

Section 3 agreed to.

The Chairman: We now come back to section 1, which had been allowed to stand. To section 1 we have an amendment by Mr. LaCroix, who moves that clause 1 be amended by adding at the end of section 4 the following words:

Provided that four of the puisne judges be chosen among the candidates proposed by the lieutenant governor in council, and that one of the four abovementioned judges be chosen among the candidates proposed by the lieutenant governor in council of the province of Quebec, each province having to propose at least three candidates.

Mr. Church: I wish to offer opposition to this first section. For a population of eleven million you are now going to establish a large court which will cost the country a considerable sum of money, having regard to the various officers we are going to have in that court. According to section 1 we are to have the same number of judges in our supreme court as has the United States, with a population of 127 million to 130 million. For what purpose? Who is asking for this proposal? The bar association has not asked for it. The provinces have not asked for it.

As I pointed out on another occasion with regard to this section 1, you are proposing to establish a system. In my opinion, we have no power by statute law to force this system on the country, without any consultation with the bar association or with the attorneys general of the provinces. Who is asking for this proposal? There are to be nine judges appointed; $25,000 a year is to be paid one of them and $20,000 is to be paid the others. I can tell the committee that this proposal has not the confidence of the country at large. I should like to find out from the present minister who are the people that are asking for this amendment. What provinces are asking to enlarge this court and to pay the judges $20,000 a year? They should start at the other end and pay increased salaries to the judges who are out on circuit all over the country trying murder cases, cases concerning property and civil rights, and so on.

This particular section is one that will take away—what? It will take away from the court of last resort appeals of grace. They say they have the power; but merely because they say so does not make it so. Four former ministers of justice were opposed to this change. They are four of the most eminent lawyers the country ever produced. One was Sir Allen Aylesworth, who was a former minister of justice. He is probably the ablest lawyer the country has produced. As I said the other day, I remember going into the court of appeal in Ontario where he had the whole docket to himself on appeals. He acted for the government in the Bering Sea arbitration. Many members of the house graduated from the Osgoode Hall law school, including the leader of the opposition, who is an able lawyer. My good friend to my right, the hon. member for Vancouver-Quadra, was at the law school there, and many others such as Sir Edward Beatty of the C.P.R. and Sir Thomas White. The present deputy minister of justice, and he is an extremely able one, and others were graduates of this particular school. While I have great respect for my friend the leader of the C.C.F., and for the other leaders in the house including the Prime Minister and the Leader of the Opposition, there are certain definite concrete principles which I support. I cannot be blamed for that. I have always had the courage to stand up in the House of Commons for certain principles, ever since I entered it. If I have to forsake those principles, I shall have to consider whether I ought to belong to the House of Commons any longer.

I wish to say a word to the younger members of the party to which I belong and to those on the government benches today. There are many young men of great ability in the legal profession on the government benches today and in the House of Commons, and they come here at considerable personal sacrifice. Let me ask them this question. Who has asked for this legislation? How can you justify these salaries of $20,000 and $25,000 to judges who never go out of the city of Ottawa, who can live here, who can get away for several months a year, and who have only three or four terms a year? There is difficulty in getting before them. During the second war 160,000 orders in council

were passed and only four of them ever reached the Supreme Court of Canada on appeal. How many people got as far as Ottawa? Nobody could afford it. They could not afford to come away down here to Ottawa.

If the court is to be the kind proposed by this section 1, it should be an itinerant court travelling over the country. Who is asking for it? I do not think the people believe in it. I think we should start paying increased salaries to some of the judges who earn their money by going out on circuit trying these cases to which I referred, at great personal sacrifice, having to live at country hotels and all that kind of thing, whereas these other judges can live here in the city of Ottawa.

As I say, we seem to think of Washington, not only politically, economically, financially and in military considerations, but we seem now to want to copy the United States in this matter. In everything we do here the first people we consider are the people of the United States. Now it is the judiciary. There is a difference between the court constituted by section 1 and the court in the United States. The court in the United States does not represent provinces or localities. Why should one province have four representatives? Why should we have that provision, if we are anxious to copy that system, as we are by section 1 of the bill? In the United States they do not have that principle at all. It is the principle that I am objecting to. I see little principle in the bill. If there were any principle in it, it would be another matter. But there is no principle in the bill except political considerations first, last and all the time. I can tell hon. members that there is a large body of lawyers who do not approve the principle that this court, if it is to be the Supreme Court of Canada, should represent localities. In the United States the best lawyers are chosen. One or two of them belong to New York state. I think New York state probably would get only one under this system. The best men at the bar are chosen there. The best men at the bar are plenty good enough for the Supreme Court of the United States.

The bar association did not believe in this proposal. The people back home in the constituencies do not believe in it. I fail to see any of the provinces asking for it. It is a huge waste of money. It is a waste of public funds which we and this government have no right to expend in this way; the government has no mandate from the people back home in the constituencies to go about it in this way. We can find other uses for our money than squandering it in this way. There is little principle in this bill except a political principle. That seems to be the sole consideration here.

(Translation):

Mr. Balcer: Mr. Chairman, I hasten to express my opposition to the amendment, for it is inconsistent and offers no solution whatever to the problem now under consideration.

In fact the bill is nothing more than another measure of centralization on the part of the government.

In discussing the principle of the bill hon. members on the government side sought to avoid the issue by limiting their remarks to the abolition of appeals to the privy council, knowing full well that everyone is in favour of such a measure. In my opinion the practice of appealing to the privy council should have been abolished a long time ago.

The point on which we, of the opposition, disagree with the government is in maintaining that this bill should never be adopted in this house without first consulting the provinces.

The house is called upon to establish a final court to settle disputes which may arise between the central power and the provinces.

We find it inconsistent that only one of the parties to a pact should be called, or rather that it should arrogate to itself the right to determine alone what tribunal will decide on its disputes with the other party.

At the time of confederation, my province, and for that matter the other provinces as well, rejected the principle of a legislative union and agreed to become part of a federal state in which her rights and prerogatives would be protected.

The reason why the representatives of lower Canada, which is now the province of Quebec, consented to join the other provinces in forming the confederation was that they sincerely believed that, in the constitutional act implementing that pact, the language, religion, rights and traditions of the French minority in this country would be guaranteed and unequivocally recognized for the future.

That is why we opposition members now demand for the provinces a safeguard similar to that which the fathers of confederation had guaranteed to them.

But each day some fresh government pressure endangers the very spirit of the confederation pact.

This bill which, upon the whole, is an amendment to the constitution, and which is related to the other unilateral amendments promised in the speech from the throne, is a breach of the rights of provinces, if the latter are not consulted.

I am pleased to see that at least one Liberal member has felt remorse and, by means of an amendment, now endeavours to give the

provinces an apparent advantage. But he does not understand what we claim for the provinces. It is not charity, but simply an acknowledgment of their rights.

On behalf of the provinces we cannot agree to the proposed amendment. It would be encroaching on their autonomy. It is up to the provinces to decide their fate for themselves, and the federal parliament must not force its will upon them.

As a citizen of the province of Quebec and as a French Canadian, it is my duty to vote against the amendment as presented.

(Text):

Amendment (Mr. LaCroix) negatived.

Mr. Green: Before clause 1 carries I should like to ask the minister this question. Has he given consideration to leaving the court at seven for the time being until we know just how much business there is to be handled and whether or not it is wise to increase the number to nine? It does seem to me that increasing it to nine in this way may bring up a good deal of trouble. There is the provision that three of the judges must come from Quebec. I imagine that Ontario will demand that at least three of the judges must come from that province, and that leaves three others. The four western provinces combined have practically the same population as Quebec, but a little smaller than Ontario. These provinces have different types of problems. Certainly British Columbia has problems quite different from those of the three prairie provinces. At the present time Alberta has problems arising which are quite a bit different from the problems of Manitoba and Saskatchewan. The three western provinces have a claim to three judges on the supreme court if Ontario and Quebec are to have three. That would leave none at all for the three maritime provinces and for Newfoundland. In the case of Newfoundland there will be many new legal problems to be solved. I think that Newfoundland should have a judge on this supreme court and certainly Nova Scotia, New Brunswick and Prince Edward Island should have at least one and possibly two. If consideration is to be given to having a set number of judges from any one part of the country it hardly seems fair to me that eight provinces in the dominion should have only three judges on this court while the two great central provinces have three apiece.

As the government knows, there is a great deal of feeling abroad in the country that Ontario and Quebec outweigh the other provinces. There is a great deal of resentment against the fact that the two great provinces have more power in the nation than the more distant ones. That is quite a serious difficulty. Has the minister given consideration to leaving the court at seven for the time being until we find some way to work out this question of the proper allocation? Under the law as it stands now Quebec is entitled to two judges and in practice I believe Ontario has also two judges. The west has two and the maritimes have one. Further consideration should be given to this particular proposal.

Mr. Garson: In reply to my hon. friend I might say that before drafting clause 1 of the bill in the form in which it now appears serious consideration was given to all of the factors to which my hon. friend has referred in the remarks he has just made.

So far as the reference in the clause to there being three appointees from Quebec is concerned, the necessity for that arises, as my hon. friend knows, from the fact that in that province they have a system of civil law which is altogether different in character from the common law that we inherited from England, and which prevails in the other provinces. While the clause says that the third judge shall be appointed from Quebec, the real purpose of making that appointment is to get upon the supreme court, when it becomes the court of last resort for Canadian lawsuits, three lawyers trained in the civil code rather than in the common law. It is that consideration, more than any geographical consideration of appointing a judge to represent this province or that one, that weighed in our deciding upon that particular subsection.

I think the hon. member for Vancouver-Quadra will agree that the arguments which he advanced with regard to the difficulties of securing representation upon the membership of the supreme court from each of the provinces of Canada would be somewhat—

Mr. Green: I did not say that.

Mr. Garson: No; but to secure geographical representation in the terms which the hon. member was stating would be obviously somewhat more difficult with seven members on the supreme court than it would be with nine. However, I am not for one moment suggesting that that consideration was a dominant factor in our thoughts in arriving at the idea that we should increase the membership from seven to nine members. We knew that when we created the supreme court as the court of last resort for Canada we would have to have appointed to the membership of that court enough civilians or judges trained in the civil law so that, in the event of there coming from Quebec a case involving any matters other than criminal law, it would be decided without a stalemate, having one civilian judge on one side and one

civilian judge on the other. That necessitated the appointment of three judges trained in the civil law on that court of last resort.

Then we thought—and I admit that in this we had to engage in some measure of surmise—that having regard to the volume of business which heretofore had come to the court, and having regard to the best estimate we could form as to what might come to it as the court of last resort in Canada, the actual amount of business to be transacted would necessitate an increase in the membership of the court.

In that connection my deputy consulted with the members of the court, and section 1 of the bill represents the best judgment of the department. This was recommended to the government and has been accepted, and we now recommend it to the House of Commons. Having regard to all the circumstances which apply, we believe it is wise that we increase the membership of the court to nine members, and that we should not delay or experiment with seven. It is our view that this increase should be made as soon as convenient after the passing of the bill.

Mr. Green: When these two new judges are appointed does it mean that one will be from Quebec and one from Ontario?

Mr. Garson: No, it means that we will have on the court three civilians, lawyers or jurists trained in the civil law. We will have six members of the court trained in the common law. It follows therefrom that of the two new appointees one of necessity will be a member of the Quebec bar, and the other one, while he could be from Ontario, need not necessarily come from that province.

Mr. Green: Is it the intention that there shall be two panels, that is that the chief justice will sit with four judges at one time and four another time; or are they going to continue to sit as they have in the past?

Mr. Garson: Although this is a matter of the internal operation of the court, which will be arranged by the chief justice, I understand it is the view that one of the purposes of increasing the number to nine is to permit panels to sit in that way. This will enable the whole nine judges to handle a much larger number of cases, if necessity should arise. In other words, all nine of them will not of necessity sit on every case, by any means. The number we have arrived at is the number which, with the best judgment we have been able to exercise, having regard to all the factors, is the proper number to have on the court.

Mr. Green: The quorum will be five?

Mr. Garson: That is right.

Mr. Green: The minister might get around the difficulty by having ten instead of nine judges.

Mr. Garson: If the hon. member thinks we should make it ten, then I hope he will not object if we make it nine.

Mr. Church: If this is to be a national federal court, why should we have the principle of representing localities? In Great Britain that principle is not followed; with their 47,000,000 people they do not have provinces. Why should not this court be a federal court, and not represent localities?

Mr. Garson: I would not want anything I have said today to leave the impression that we regard it as a federal court representing localities. The intention is that we shall endeavour to get men of the very best legal ability in Canada to sit on this court, having regard to the fact that when it becomes a court of last resort for this country it will be exercising a type of jurisdiction considerably different from and much more onerous than that which it has exercised heretofore, when it was merely a court through which appeals went on their way to the court of last resort, the judicial committee of the privy council.

This being so, I believe there is a good deal of merit in the suggestion of the hon. member that it should be a federal court, and that the chief object should be to secure the very best talent available. Of course, if we can achieve that object and at the same time give representation to as many parts of Canada as possible, I am sure the hon. member would agree with me that the second objective is a desirable one so long as it can be attained without sacrificing the first.

So far as representation of Quebec is concerned, as I have already indicated, it is not in any sense a geographical representation, but rather one necessitated by the fact that, unlike other countries, we have in one of our larger and more thickly populated provinces a civil code, which is a system of law quite distinct from the common law. In making the Supreme Court of Canada the court of last resort we have to make adequate provision to hear appeals from all parts of Canada, including Quebec.

Mr. Church: The Supreme Court of the United States sitting at Washington does not represent localities, nor does the judicial committee of the privy council in London. They have no provinces over there. I fail to see why this provision is copied into the bill. It does not carry out the national federal principle.

Mr. Fleming: I do not wish to confine the discussion of this matter, because it is a

matter of interest to all of us. However, I must point out that the section before the committee does not deal with the number of judges, or the additional appointments. The only provision in section 1 deals with the amendment to section 9, which relates to tenure.

Mr. Green: No.

Mr. Fleming: I thought the committee had gone back to section 1.

Mr. Garson: Yes, section 1 of the bill.

Mr. Fleming: I understood the discussion on that section was reopened.

The Chairman: That is right.

Mr. Fleming: And section 1 in the copy of the bill I have deals only with the amendment of section 9 of the act. Has there been a reprint?

Mr. St. Laurent: The hon. member has not the right bill.

Mr. Fleming: Obviously there are two printings of the bill, because I have another one before me now. Section 1 in the copy I have before me does not deal with section 4 of the act.

Mr. Garson: The hon. member does not happen to have the bill dealing with the Exchequer Court Act?

Mr. Fleming: No. Another and different copy that has been handed to me has to do with the amendment to section 4.

Mr. Garson: Yes.

Mr. Coldwell: There is one point concerning which I should like to be clear. I think the Minister of Justice has given the proper explanation why in a court of nine because of the difference in the civil law there should be three judges from the province of Quebec. However, there is another point about which I should like some explanation and that is why the words "at least" after the word "three" are inserted? The section is to read:

> Three at least of the judges shall be appointed from among the judges of the Court of King's Bench, or of the Superior Court, or the barristers or advocates of the province of Quebec.

Why the words "at least"? The insertion of the words "at least" leaves it open to the appointment of four, five, or more from the province of Quebec. I remember the Prime Minister saying he thought that, rather than rely on statutory provisions and so on, the good will and good faith of the people across Canada was the best guarantee of justice for all. I am entirely of that opinion.

But I think the placing of the words "at least" in this section may give rise to controversy. I think it was ill advised to put them there. They do not do anything at all, but they do leave the way open for argument that four, five, six, seven, eight or the whole court may be appointed from one province. Perhaps the Minister of Justice will explain that.

If this court is enlarged it should be representative of all Canada. It is true that there should be judges who understand the civil law of the province of Quebec, but beyond that it should be a court which represents all Canada. I think it would be wrong to infer that, because there are to be three appointed from the province of Quebec to deal with cases coming under their civil law, there must be three appointed from Ontario or three appointed from the maritimes or three appointed from western Canada or from any other section of the country. What I think the government should do in appointing judges to the supreme court is to choose those in the legal profession who are best qualified regardless of their geographical location in the country.

Mr. Garson: I am glad to hear the hon. member for Rosetown-Biggar confirm what was said by the hon. member for Broadview, that it is desirable that in appointing members to this court first regard should be had to their capacity to discharge their judicial duties. If we can have geographical representation consistent with that policy of appointment, so much the better, but we should lay the greatest emphasis upon the capacity of the court.

I think the answer to my hon. friend's question would be in line with that concept. I am sure he will agree that in order to make a proper disposition of the cases from Quebec we cannot have less than three representatives from that province.

Mr. Coldwell: I agree with that.

Mr. Garson: If we said three, period, or three without adding the words "at least", that would indicate a geographical representation in a sense. In that way we could not, where the ability of a particular man was an issue, add to that number. There is in the history of the supreme court one example of that sort of thing. At one time when the "two" limitation was in force it was desired to appoint to the supreme court a man who, I think all hon. members will agree, would have been a great ornament to that court. He was a man who on one occasion was selected as sole arbitrator to settle a dispute between two South American countries. It was left to him solely to decide whether the dispute should be settled and on what terms.

This man had world renown as a lawyer both in common and in civil law. I refer to the late Eugene Lafleur. On that occasion when we might have had one of the finest legal minds that ever existed in Canada on the court, the government would have been unable to appoint him. It is true that Mr. Lafleur refused because he felt that he was getting on in years and could not stand the heavy duties involved in the highest type of judicial work.

I do not want the impression to be left from what I have said that it is a settled policy, that the government will invoke this power to appoint more than three judges from Quebec. It simply means that if some time later an extraordinary case such as that of Mr. Lafleur should arise, when there is a man the best qualified in Canada to fill a vacant appointment, he could be appointed if he should happen to live in Quebec.

Mr. Church: Where do we go from here if we pass this section? Where does Canada go if we pass section 1?

Mr. St. Laurent: It stays here.

Mr. Church: What is the next step? As I see it, we will be out of the empire altogether.

Mr. Browne (St. John's West): I think the question asked by the hon. member for Rosetown-Biggar has not been properly answered by the Minister of Justice. If a fourth judge is wanted, he may still be appointed. If the words "at least" were left out, then it would read "three shall be appointed"; but another or others could still be appointed if good men were available and three had been appointed already.

Mr. Fulton: I should like to refer to the point made earlier by the hon. member for Broadview. Because I come from the far west this suggestion seems to be most attractive. As I understood it, the hon. member suggested that if an increase in number was made it might be possible for this court to go on circuit. I am sure that this question must have arisen in the past and it must have been in the minds of the minister and his officials when this bill was being drafted. Could the minister tell us the considerations involved and whether it would be possible? It certainly would be most advantageous.

Mr. Garson: The matter to which the hon. member refers is one which commends itself to anyone who has reflected upon this general subject. However, having regard to the fact that this will be a court of last resort for Canada, as time goes on the volume of business directed to it will be such that it was felt that the court could not go on circuit and properly dispose of the cases coming before it without holding up judgments.

Section agreed to.

Sections 4 to 8 inclusive agreed to.

On the title.

Mr. Fulton: Since in our previous consideration of this bill we have more or less jumped from section to section, would the minister give us a brief résumé of the ways in which the original jurisdiction of the court has been enlarged? In addition to being made the court of final jurisdiction, in one of the sections, in very complicated language which requires cross reference to the old act, I understand there are certain enlargements of the original jurisdiction. Would the minister say just what is the effect of that enlargement?

Mr. Garson: If hon. members will look at clause 2 on page 1 of the bill, following that to the bottom of the page and over to page 2 and to the bottom of that page, they will see there enacted new sections 36 to 40 inclusive, all of which are in clarification of the existing law, without any significant change in substance. Then going over to page 3 they will see a new section 41; and if they will look at the explanatory note opposite page 3 they will find a statement which I believe is quite exhaustive and which will enable my hon. friend to grasp the nature of this increase in jurisdiction authorized by new section 41. Section 41 is new, and in a sense is consequential in that it is an attempt—and I think a successful attempt—to provide in the Supreme Court of Canada the counterpart of that appeal jurisdiction which was exercised by the privy council upon special leave in respect of certain classes of cases that formerly went before it. So this new section 41 provides a considerable increase in the jurisdiction of the supreme court, as a court of last resort, to hear, upon leave, the type of cases referred to in the new section 41.

Mr. Fulton: As I understand it, there is no enlargement of the jurisdiction of the court to hear appeals, with respect to the financial amount involved? As I recall it there is a limit of $2,000, and that stands?

Mr. Garson: That is right.

Mr. Fulton: But does this enlargement to which the minister refers make it possible in some cases to bring appeals which were not possible before, where the amount in dispute is less than that?

Mr. Garson: Yes. When the privy council was the court of last resort for Canadian appeals, there was a class—or classes—of

appeals which could not be taken to the Supreme Court of Canada but which could be taken to the privy council. If we were to abolish appeals to the privy council without making provision for those classes of appeals formerly taken there, those appellants would be without a remedy by way of appeal. So the new section 41 provides in such cases an appeal upon leave to the Supreme Court of Canada, to replace that appeal they formerly had to the privy council, by leave.

Mr. Church: What section are we on, Mr. Chairman?

Mr. Fleming: With reference to the proclamation—

Mr. Church: I want a vote on section 1.

Mr. Fleming: In a matter of this kind I think the minister will appreciate the desirability of giving adequate notice as to the date of coming into effect, particularly having in mind the provisions of section 7. Would the minister indicate what the government has in mind in that respect?

Mr. Garson: I am sure the hon. member for Eglinton will appreciate that in making this great jurisdictional change in the supreme court we intend to exercise extreme care with respect to the two additional appointments. There is that consideration and also the matter of consulting with the chief justice and the members of the court as to when they feel they can adequately carry on their new jurisdiction. Those questions will have to be settled before we can consider proclaiming the act after it is passed. I do not think my hon. friend will have any cause for complaint about inadequate notice when the proclamation is issued.

Mr. Church: We are on the title, and the title is a misnomer, as no one knows better than this government. The proposed title of the bill is "An act to amend the Supreme Court Act," but no one knows better than the government that this is not a federal court in any sense at all. By this legislation the government is seeking to abolish statutory appeals, as well as appeals by grace, which has always been the inalienable right of every British subject.

If we adopt this bill, I ask the government: where do you propose to go from here? That is a simple question for them to answer. When we adopt the title of this bill the whole bill automatically goes through this house and receives the approval of parliament. Where does the government propose to go from here? Does it propose to stay in or get out of the British empire? That is exactly the question, especially when you consider the various other steps that have been proposed. This is nothing but a political bill first, last and all the time; and I can tell you that it is going to lead to untold litigation, in view of the fact that we have reserved the right of appeals that have been undertaken up to the present time. This is weakening the ties to which I referred the other day, together with all these other motions with respect to the governor general, the flag, the anthem and so on. Why don't we get out of the empire, if we are going to pass a bill like this?

Title agreed to.

Bill reported.

Mr. Speaker: When shall the bill be read a third time?

Some hon. Members: Now.

Some hon. Members: Next sitting.

Mr. Garson moved third reading of the bill.

Mr. T. L. Church (Broadview): I want to discuss this bill on third reading. The principle of the bill and what it proposes to do are entirely different. Here we are going to abolish statutory appeals from the provinces, and I want to have a fair discussion of this bill, not under rules that are three hundred years old. This legislation affects every citizen of this country. We have to go away back to follow the history of it. Confederation was brought about by a contract between the provinces which formed the dominion, as no one knows better than the government. The other day I referred to the Statute of Westminster, on which the bill is founded, and the textbook in which it is stated that we have not the right to do what we are proposing today.

I want to make only a few remarks on the motion for third reading. I do not wish to object to it any further. I have almost exhausted my time. I think we should obey the Speaker and follow the rules of the house. I have never infringed upon the rules of the house and I do not propose to do so now. I point out to the government that there is a large body of informed public opinion in this country that is opposed to this bill. The four ministers of justice to whom I referred the other day as well as former chief justices of the Supreme Court of Canada were opposed to this policy. The Supreme Court Act was passed in 1875.

We are now violating all those pacts which the provinces had and to which reference

was made in the textbook by Wheare on the Statute of Westminster. This proposal would upset all that.

Mr. Howard Ferguson, when he was premier of Ontario, and the late Lord Bennett, when he was the leader of the House of Commons, opposed this policy. What is the reason for rushing this bill now? Certain statements were made during the election and while I wish to speak with respect of everyone in this house, I can tell you that in my opinion this is nothing but a political bill, first, last and always. Accordingly, it is put on the order paper ahead of many other motions. There is no doubt about that.

Mr. MacInnis: On a point of order, I should like to know what the question before the house is at the moment?

An hon. Member: Third reading.

Mr. MacInnis: There was objection to third reading and if there is an objection, third reading cannot be given. If I may speak on that point, sir, standing order 73 reads as follows:

> Every bill shall receive three several readings on different days, previously to being passed. On urgent or extraordinary occasions, a bill may be read twice or thrice, or advanced two or more stages in one day.

I do not believe there are urgent or extraordinary reasons why this bill should receive two readings today.

Mr. Fleming: It has only had one reading today.

Mr. MacInnis: Even at that, there is standing order 77, which reads in part as follows:

> But when a bill is reported without amendment, it is forthwith ordered to be read a third time at such time as may be appointed by the house.

The procedure in this house has been that, when a bill comes from committee, third reading is not given to it on that day.

Mr Church: In fair play, there should not be third reading today.

Mr. Fulton: I entirely agree with the hon. member for Vancouver East (Mr. MacInnis). I think it should be pointed out that the bill was in committee on the order paper for today. Third reading of this bill was not on the order paper, and consequently I think it would require unanimous consent of the house to give it third reading.

Mr. St. Laurent: This is a rather important point of procedure. If there is any reason for delaying third reading, I certainly do not want to insist upon it. The government would be glad to consider any such reason. I think it would be rather interesting to have a ruling on the meaning of these standing orders 73 and 77. I had always understood that, when a bill received second reading and went into committee on the same day, and was reported out of committee on that day, it could not be read a third time without unanimous consent.

The rules provide that there shall be three readings on separate days. When second reading has been given, however, and there has been a protracted debate in committee which has been carried beyond the day second reading took place, and the committee then reports the bill, I had understood that under order 77 the bill could be read the day it was reported. I believe that is a rather important question of procedure. I am sure no hon. member would want to give a forced interpretation to those rules. If my statement of the rules is correct, it would be well for us to know that is the correct interpretation. If it is not, I think it would be well to have a ruling from the Speaker so that we might not infringe the rule in future.

Mr. Fulton: Might I call your attention, sir, to citation 810 of Beauchesne's Parliamentary Rules and Forms.

> If the bill is reported without amendment, the Speaker puts the question: "When shall the bill be read a third time?" The house, at this stage, may decide by a majority vote either that the third reading will take place immediately or at some future day. If, to the Speaker's question, the answer comes "Now," he will at once put the third reading and the motion "that the bill do now pass and title be as on the order paper . . ."

When the Speaker put the question, admittedly some hon. members said "Now" and some hon. members said "Next sitting of the house". I submit that a clear, unmistakable answer "now" has not come. In this citation it is recognized that third reading on this day is so extraordinary a measure as to call for a majority vote of the house. This suggests to me that unanimous consent would be required if this procedure were adopted.

Mr. St. Laurent: The citation does not say "unanimous consent" it says "majority vote".

Mr. Hansell: I do not have a copy of Beauchesne's rules and forms in my desk. I would suggest that before the war, we never gave third reading to a bill on the same day on which it received second reading or went to a committee. War broke out and a period of urgency came upon us. By courtesy and consent—we did not expect to create a precedent by it—the government has been accommodated and bills have been read a third time on the same day.

I am inclined to think that now we have gone back to our peacetime regime we

should be careful not to rush these bills too much. In my opinion, the reason for delaying third reading is to give members an opportunity to assemble material and have a last fling in that debate. For that reason, Mr. Speaker, you should rule in favour of third reading at an appropriate future sitting of the house.

Mr. Garson: I should like to refer you, Mr. Speaker, to standing order 77 and to citation 810, in order to dispel the idea that what is now being proposed is something extraordinary or an invasion of the members' privileges. Standing order 77 reads as follows:

All amendments made in committee are reported by the chairman to the house, which shall receive the same forthwith. After report the bill is open to debate and amendment, before it is ordered for a third reading. But when a bill is reported without amendment,—

As it is in this case.

—it is forthwith ordered to be read a third time at such time as may be appointed by the house.

Citation 810, referred to by the member for Kamloops (Mr. Fulton), reads as follows:

If the bill is reported without amendment, the Speaker puts the question: "When shall the bill be read a third time?" The house, at this stage, may decide by a majority vote either that the third reading will take place immediately or at some day. If, to the Speaker's question, the answer comes "Now," he will at once put the third reading and the motion "that the bill do now pass and title be as on the order paper, (or that the title be . . . (putting the change if any)).

It is submitted that in view of that standing order, 77, and the rule, 810, there is no question but that the procedure we are following is the proper one.

Mr. Blackmore: Mr. Speaker, I have something to say regarding this bill. I have been deeply interested all the way through the debate, but I find myself utterly in a fog to see the reason for this breathless haste.

Mr. Speaker: Order.

Mr. Blackmore: I suggest that the members who have been calling for that now withdraw their remarks.

Mr. Speaker: The only question before the house is one of order, and all hon. members must address themselves to that question.

I have heard what hon. members have said, and I am prepared to give my ruling. This bill received second reading one day last week. It was then sent to the committee of the whole house for consideration by it. The committee completed its work this afternoon and has now reported the bill without amendment. When the bill was reported to the house, I asked the house although it was not necessary for me to do so—see Beauchesne's second edition, reference 810: "When shall the report be received?" The answer was "Now." I then asked the house, "When shall this bill be read a third time?" I received the answer "Now."

Standing order 73, which has been quoted by hon. members, reads as follows:

Every bill shall receive three several readings on different days, previously to being passed.

This bill had received two separate readings previously to today. The rule goes on to read as follows:

On urgent or extraordinary occasions, a bill may be read twice or thrice, or advanced two or more stages in one day.

With that rule must be read standing order 77, which is as follows:

All amendments made in committee are reported by the chairman to the house, which shall receive the same forthwith. After report the bill is open to debate and amendment, before it is ordered for a third reading. But when a bill is reported without amendment, it is forthwith ordered to be read a third time at such time as may be appointed by the house.

I would refer hon. members to the words "forthwith" and the references in Beauchesne's Parliamentary Rules and Forms, second edition, which have been mentioned in debate by a number of members and also to the latter part of reference 705, Beauchesne's third edition. I shall not read these references but when they are considered along with standing orders 73 and 77, I think it is clear that it is in order for a bill to be read a third time on the same day that it is reported from the committee, provided that it has been reported without amendment.

I therefore rule that it is in order for this bill to be read a third time now.

Mr. Church: With great respect, Mr. Speaker, I wish to appeal from your decision.

Mr. Speaker: I have given my decision. Speakers' decisions, after they have been made, are not subject to debate.

Mr. Fulton: I admit that I am a little bit at a loss, Mr. Speaker, with respect to procedure. Might I raise a subsequent point of order. I refer to citation 810 and I would ask Your Honour to call for a vote, which is provided for in that citation. That is the point of order.

Mr. Speaker: I asked, "When shall this bill be read a third time?" The answer came back, "Now". I am carying out the instructions from the house in ordering the bill to be read a third time now—see reference 705, Beauchesne's third edition. The hon. member for Broadview has the floor.

Mr. Church: I wish to appeal from your ruling, Mr. Speaker.

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

Some hon. Members: Question.

Mr. Speaker: Those in favour of the motion will say "Yea".

Mr. Green: What motion?

An hon. Member: The ruling.

Mr. Speaker: I have given my ruling. The question now before the house is that this bill be now read a third time. Is it the pleasure of the house to adopt the motion?

Mr. Gordon Graydon (Peel): Before you go on with this stage of the bill, Mr. Speaker, may I suggest to the government that perhaps the common sense way of handling this situation is this. Let us not argue too much over technicalities as to the rules. You have already made your decision and your ruling, Mr. Speaker. But having in mind the discussion that has taken place, I think perhaps it would meet the convenience and the wishes of the house in general if the government could see its way clear to leave third reading over for another sitting of the house. Nothing much can happen in the meantime. At the same time I think that would meet the wishes of the country, the house, and perhaps the government as well.

Mr. J. H. Blackmore (Lethbridge): I should like to associate myself with the remarks made by the hon. member for Peel (Mr. Graydon). It does not look good for a government which has the enormous majority behind it which this government has to be putting on pressure as we have seen it put on today.

Some hon. Members: Order.

Mr. Blackmore: I merely point out that fact. To the members of the house who are so eager, I may say that it will not do them any good when it is fully understood in the country.

Right Hon. L. S. St. Laurent (Prime Minister): In view of the attitude taken by the hon. member who has just spoken, I do not think that we can consent to the adjournment of third reading. If the acting leader of the opposition will give any reasons why it would be preferable to postpone the third reading to another day, we shall be glad to consider them. But I do not think the reason advanced by the gentleman who last sat down would be one that would commend itself to this side of the house.

Mr. Speaker: From a note that has been handed to me, I understand that the hon. member for Broadview (Mr. Church) desires to appeal my ruling. All those in favour of sustaining the Speaker's ruling will say "Yea".

Some hon. Members: Yea.

Mr. Speaker: Those opposed?

Some hon. Members: Nay.

Mr. Speaker: In my opinion the "yeas" have it. I declare the ruling sustained. The question now before the house is the motion of the Minister of Justice (Mr. Garson), seconded by the Minister of Public Works (Mr. Fournier, Hull), that this bill be now read a third time. The hon. member for Broadview was speaking to that motion.

Mr. Graydon: I just wanted to reply to the Prime Minister, Mr. Speaker. I do not think he was on firm ground when he used as his main reason for not complying with my request the attitude of another member of the house. I do not think that is a good foundation for his argument.

In view of the fact that there is a substantial body of public opinion in Canada that feels that there should not be any ruthless haste in connection with a measure of this kind, although I do not think the Prime Minister (Mr. St. Laurent) has that in his mind, I think the government ought to allow this matter to stand over. It seems to me that there is a substantial reason why an opposition would want third reading of a measure such as this to be allowed to stand over for a day or two. The principle is again involved. It was involved in second reading and it is involved again now. Naturally consideration must be given by an opposition to the attitude to be taken on the principle on third reading of a bill which is so important to our nation's affairs as is this one. I think that is sufficient reason for the Prime Minister to accede to the request I made in perfect good faith, not on any special, narrow ground but rather for the purpose of seeing if we cannot meet the wishes of the house. This session the house has not been in the habit of dividing unnecessarily on small things; I think it would be a small thing for the government to press this matter at this time, and I do not think the Prime Minister will want to do so.

Mr. St. Laurent: It is not a matter of wishing to refuse the request made, but this has been the matter before the house on practically all occasions when government business has been considered. We have now reached the point where the bill has been carefully considered and has been reported out of committee. Both the minister and I have engagements for Thursday. Tomorrow is not a government day. If we had the unanimous consent of the house to deal with it tomorrow we might be prepared to consider it, but we have made engagements for Thursday and we should like to have the bill sent over to the other place.

Mr. Green: Have they not adjourned until Tuesday of next week?

Mr. St. Laurent: Yes, but we shall not be here on Thursday. I cannot be here on Friday. This is a bill in which both the minister and I have taken a considerable interest because we look upon it as an important piece of legislation. It seemed that the postponement was for the purpose of restating what has been stated many times, that we should not have this kind of legislation. If that is the only purpose I do not think we should be asked to change our plans unless there is some serious ground for doing so. Tomorrow may be the last private members' day, and I would not care to ask to take it from them. In these circumstances I think we have heard everything that could be said on either side, and we would not be any further advanced by postponing it another day.

Mr. Church: It would be far better if the government consented to adjourn the debate until tomorrow at three o'clock.

Mr. Speaker: Order.

Mr. Church: If not I shall continue my remarks.

Mr. Speaker: I must inform the hon. member for Broadview that that question has been decided.

Mr. Church: I should like to make a few remarks. Under the rules of the house I am within my rights to speak until six o'clock, but I do not wish to take advantage of the government.

Mr. St. Laurent: We shall listen with much pleasure to the hon. member if he chooses to speak until six o'clock.

Mr. Church: All right, then. I sent my papers to the office. Under the rules of the house I am within my rights in saying something on this bill for twenty-five minutes in order to give hon. members a chance to come back. I cannot understand the necessity for this bill in view of the matters which I enumerated the other day as being primary. There are certain other matters which I referred to the other day which are secondary. The matters to which the Prime Minister (Mr. St. Laurent) referred the other day are secondary. They are interwoven with different matters that have been placed on the order paper and were discussed during the election. What mandate have I, representing a constituency, to agree to this legislation? It was not discussed during the election. I never heard of its being discussed in the Toronto district. The Prime Minister visited our city. He got a very great reception, and I was very pleased to see it. In no part of the country did he get a better reception. That was owing to the fact that he had been a great lawyer, a great family man and a great citizen, and had done a great deal for the people of this country as a private citizen long before he came to this house.

I now wish to say one or two things about certain matters that have come up in the debate. I never could understand the rush regarding this bill when one considers the other urgent matters which are before us. This matter is only secondary. I named the secondary matters the other day. I do not wish to name them again or to refer to any textbook. The intention seems to be to rush this particular proposal quickly through the house. That is the whole idea behind it. Why the necessity for that action? We might be a little more sportsmanlike in this house, and let the people who are not here return to deal with it. We might postpone it for at least twenty-four hours to give them a chance to come here.

With regard to the bill itself may I say, as I said the other day, I can find very little legal principle in it. The principle of the bill seems to be coercion. It is very largely a coercion bill because it is not founded on the pact made at confederation. You are going to change the whole legal system of this country in the twinkling of an eye without consulting anybody. For that reason I proposed that for bills of this description we should have a legal committee to which they could be referred. Nobody ever heard of this bill back in the constituencies. Today I received two letters from two high court judges out on circuit. They wanted to know whether I could send them a copy of the bill and of the debate that had taken place so far. I did so this morning. They are out on circuit and they are trying important cases in various parts of the country. I have no way of letting them know without communicating with them.

Then there is the Canadian Bar Association. They had a meeting out in Calgary. They asked to have this legislation postponed. I cannot see the necessity for all the rush in connection with this bill. I cannot see the necessity for it apart from the basic fact that there are a lot of other proposals on the order paper. Under the rule of anticipation I cannot refer to them now and I do not intend to, but they are only secondary as well. We have grave questions facing us. We may be invaded. We do not know who is to come here in the next few days if we are to believe the reports which we get from Washington

and from Britain about the present danger in the Pacific, our back door. We do not know whether we are to be here very long.

I wish to call hon. members' attention to some important matters which should be dealt with at the present time. The matter to which we are now giving attention and such matters as the governor general, the flag, the anthem and the hallelujah chorus, are all secondary matters. We have had a hallelujah chorus on this bill. All these things could very well wait over. We have had nothing but hallelujah in here ever since the session opened. The Prime Minister and the Minister of Justice have been singing the hallelujah chorus. If they went out and hired a concert hall they could make their fortunes as musicians.

In the first place I fail to see the urgency of this bill. What is the need for all the rush? The bar association expressed themselves at Calgary. I hold their resolution in my hand. Members of the bar of all Canada took part in that meeting. Nobody is a better lawyer than my friend the Speaker of the House of Commons. He has been a leading lawyer and soldier, and a good citizen, and all hon. members have been unanimous in expressing their pleasure at his being here.

The resolution adopted at the convention of the Canadian Bar Association dealing with the abolition of appeals to the privy council states:

Whereas the government of Canada has announced its intention to introduce legislation at the next session of the parliament of Canada, providing for the abolition of appeals to the privy council and making the Supreme Court of Canada our final court of appeal in all matters.

Be it resolved—

And here is the resolution:

—that the Canadian Bar Association, without expressing any view as to the wisdom or otherwise of the proposed abolition, is of the opinion:

(i) That any bill for the abolition of the privy council appeal should contain the necessary provisions as to the organization and jurisdiction of the supreme court and the system by which its judges will be appointed.

That sufficient time be given before the statute is enacted to permit the public—

"The public"?—they have never had one minute's consideration. I have never heard this discussed in the Toronto district by a single person, in the municipal, provincial or federal sphere. I doubt if there is a member from the Toronto district who has discussed this bill with his constituents. Yet we are asked to accept it today, holus-bolus, without knowing what it is all about. The resolution states:

That sufficient time be given before the statute is enacted to permit the public to give consideration, both as to the question whether the abolition of the appeal to the privy council should take place and to the constitution and powers of the court that may replace it and also to the effect which the abolition may have upon provincial and minority rights.

That is correct. And then it continues:

(ii) If, as and when the appeal should be abolished, it is the opinion of this association as at present advised:

(a) that the supreme court should consist of nine judges;

(b) that a quorum of the court should be five judges;

(c) that it should sit always with an odd number of judges present;

They are going to be an odd lot, if we adopt this bill. And we will be an odd lot of members of the House of Commons if we swallow it holus-bolus. It continues:

(d) that there should be no change in the present practice of the court, under which each member is free to give reasons for his judgment;

That may be all right. With many people, "I agree" is a popular phrase. "We agree" would be an unpopular phrase if we, in the high court of parliament, were to sit here and do nothing about this bill. To swallow it is just a loss of time. We are supposed to be the highest court in the land, but very often this is the forgotten branch of the legislature. Then the resolution continues:

(e) that the court should continue to sit at Ottawa only;

I do not agree with that paragraph. The judicial committee of the privy council sits in London only because that is the centre of the empire. As a matter of actual fact, it could hardly be classified as a court, because they do not wear gowns, and they meet in an ordinary room. I know there are many people who would not agree to the proposed court sitting always in Ottawa. We realize of course that the judicial committee sits in London because that is the central point between east and west, and stands as one of the reasons why the court is not itinerant. It could well come to Ottawa, or go to Australia, New Zealand or South Africa if it so chose. The resolution continues:

(f) that the salaries of the judges of the court should be substantially increased so as to make such salaries commensurate with the responsibilities of the office, with an appropriate additional amount to the chief justice;

I see no reason why we should spend as much money on eleven million people as is spent at Washington for one hundred and thirty million people. I have criticized that practice before, and have pointed out that too often we follow the United States.

I do believe however that the salaries of some of the judges in the trial courts throughout the province might very well be increased, particularly when they are doing circuit work. A man cannot afford to have a house, but most of them are keeping their homes. I believe there was a rule at one time—and

Mr. Speaker may know more about this than I do—whereby judges of the court of appeal had to be residents of Toronto. I understand one of the great judges who came from the native city of Mr. Speaker proposed remaining in his own home town. It is very difficult to get housing accommodation in Toronto now; and that which is available costs about three times what it is worth.

I believe that the judges at Osgoode Hall have to have their homes in Toronto, and that it has been difficult for some of the new judges to get accommodation—even at three times the price. For five or six months of the year the trial judges are out on circuit throughout the province. They cannot be home with their wives and families for weeks on end. We have twelve judges in the trial division, and some of them are very tired of the accommodation they are able to get in hotels, and all that kind of thing. We should make provision for them accordingly.

Then, the next paragraph states:

(g) that the rule of *stare decisis* ought to continue to be applied with respect to past decisions of the court, as well as with respect to past decisions of the judicial committee.

This is a rule of doctrine. An opinion was expressed not long ago by a prominent lawyer in Toronto, who quoted an Oxford professor who used these words:

No nation conscious of its own greatness and realizing of what national greatness consists can afford to do without the highly cultured citizen who is a vital power in civic and state affairs or the trained scholar whose function it is to keep up the quality and standard of culture.

And this lawyer goes on to say:

If the judicial committee of the privy council is no longer to be one of our courts of appeal the doctrine of *stare decisis* should be retained and its judgments remain precedents for all time.

That is what this Oxford professor has to say, and I believe there is much to be said for that principle. So far as possible, as a high court of parliament we should base our decisions on that doctrine. Let me say this about the bill which is now before us for third reading. I have before me a textbook. Hon. members are aware that the recent decision of the privy council is based on the Statute of Westminster. That is where this bill had its beginning; it started with the Statute of Westminster. This book is entitled "The Statute of Westminster and Dominion Status". For 99 pages it deals with the dominion status in 1926. In that section it deals with Ontario and Quebec, the two original provinces, and reference is made to the maritimes and the status of the dominion generally. It then goes on to refer to the Irish Free State, New Zealand, Australia and other parts of the British empire. It calls attention to the fact that the process of appeals to the privy council was based upon a contract.

When Mr. Ferguson was premier of Ontario he objected to the suggestion that appeals to the privy council be abolished and he directed attention to the debates on this matter which had taken place since confederation. He said that there was no doubt that a contract had been made by the two original provinces and the same principle had been applied to the maritimes where objections had been raised during the war to the legal status. He went on to say that the procedure of amending the constitution should be accepted by the province of Ontario.

Ontario was against abolishing appeals to the privy council and they prepared a brief which was placed before the cabinet here in Ottawa. That brief was addressed to a very learned attorney general who was minister of justice. I referred to three or four of them the other day. The Prime Minister was about to leave to attend an imperial conference and this brief was presented in connection with abolishing appeals to the privy council. Mr. Howard Ferguson prepared this brief while he was premier of Ontario. That brief states:

—that no restatement of the procedure for amending the constitution of Canada can be accepted by the province of Ontario that does not fully and frankly acknowledge the right of all the provinces to be consulted and to become parties to the decision arrived at. Quebec and all the other provinces proved to be in agreement with these views. In consequence it was necessary for the Canadian delegation at the imperial conference of 1930 to ask that, in effect, the whole question of the repeal of the Colonial Laws Validity Act, in its application to Canada, should be left in suspense until the views of the provinces on the matter could be obtained.

Mr. Ferguson was quite correct and the reference to the Dominion of Canada and to the provinces of Canada was therefore deleted from the proposed clause, as it appeared in the schedule drawn up by the conference with a specific reference to Australia and New Zealand only. It was stated that a section dealing exclusively with the Canadian position would be inserted after the representations of the provinces had received consideration. At the same time the conference deemed it advisable to place on record that the sections of the statute relating to the Colonial Laws Validity Act should be so drafted as not to extend to Canada unless the statute was enacted in response to such requests as are appropriate to an amendment of the British North America Act. It was also deemed desirable to place on record the view that the sections should not subsequently be extended to Canada except by an act of the parliament of the United Kingdom enacted in response

to such requests as are appropriate to an amendment of the British North America Act.

The conference of federal and provincial governments was held in Canada in April 1931, to consider this whole question of appeals to the privy council and of consulting the provinces thereon. The late Lord Bennett was then Prime Minister of the dominion. All the provinces were present at that conference which was held here in Ottawa, including the great provinces of Quebec and Ontario.

As it is six o'clock I should like to move the adjournment of the debate until tomorrow at three o'clock.

Mr. St. Laurent: I do not think the debate needs to be adjourned, as it is six o'clock and the house is taking recess. At eight o'clock the house will consider public and private bills, but as soon as they are disposed of the house will continue with its regular business and the hon. gentleman may resume his speech.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

RAILWAY ACT AMENDMENT

CONTROL OF SMOKE AND SOOT FROM ROUNDHOUSES

Mr. Rodney Adamson (York West) moved the second reading of Bill No. 7, to amend the Railway Act.

He said: Mr. Speaker, this bill is similar to one I introduced last session but which, owing to the dissolution of the 20th parliament it did not come up for second reading. This bill differs in one respect, in that it merely requires the permanent installations of the railway companies to comply with local smoke abatement by-laws. I have amended the bill in this regard following some conversations I had with railway officials when the bill was in a rather more specific form. From time to time both railway companies have said to me that to impose upon them some specific apparatus or some specific smoke abatement regulations would be unfair when industries, ships and other smoke producers are permitted to pollute the air without abatement. Therefore this bill would add paragraph (1) to section 287 of the Railway Act, as follows:

(1) requiring all roundhouses and other permanent installations to comply with any municipal by-law of any urban municipality regulating the emission of smoke or soot into the atmosphere but such orders and regulations shall not apply to locomotives in motion;

So in this amendment we merely seek to abate the nuisance of smoke produced by railway roundhouses. The problem to be solved is this. Coal-burning locomotives have to be serviced regularly. This servicing requires that steam pressure be maintained in the boilers; and when major repairs are to be made and the fire is drawn, consequently the fire has to be relit. These operations result in inefficient combustion of the fuel, which in turn produces smoke, soot or smog. I want to point out that the production of smoke now is a sign of inefficiency. In the old days we would say that smoking chimneys were the sign of a hardworking, industrial community. Today a smoking chimney is a sign of waste. But owing to the requirements in connection with fueling and servicing locomotives this problem does arise and, with the exception of some cases where special apparatus has been installed, these roundhouses do emit smoke or smog into the atmosphere, which unquestionably is a serious discomfort to those living in the vicinity.

Now we come to the responsibility of the various authorities concerned. It would be unfair to ask a railway company to make a roundhouse comply with certain regulations, unless in order to protect the residents the municipality had enacted an enforceable anti-smoke bylaw. So in order to prevent discrimination against the railway companies I have drawn the bill so that it merely asks roundhouses to comply with the regulations which have been worked out for smoke abatement and which apply to all other industries in the district.

The specific instance with which I wish to deal is the roundhouse in my own constituency, the main roundhouse of the Canadian Pacific Railway Company in what are known as the Lambton yards, where nearly all the locomotives are serviced for that company in the Toronto area. There are other roundhouses in downtown Toronto, but the one in the Lambton yards is located in an area containing other industries, all of which have installed smoke abatement equipment, so they are not a real menace to the residents of that community. The only menace is this railway roundhouse. It may interest hon. members to learn that the precipitation in tons of soot per acre per year is said to be greater there than in any other city in Canada or the United States, with two exceptions. As a matter of fact a great part of central York township is more intensely sullied by smoke than any other area on this continent. It is infinitely worse than the city of Pittsburgh where a great deal of this remedial machinery has been installed. So we come to the inevitable conclusion that it is not necessary

for a roundhouse to emit smoke in such great quantities, as is the case in the Lambton yards.

There are several roundhouses in this metropolitan area. One roundhouse in the city of Toronto has installed what is known as a steam-generating plant. The locomotives enter this roundhouse and are serviced by means of this permanent steam-generating plant which has a smoke abatement apparatus installed on it. This roundhouse is not a menace to the residents situated near it. When I introduced this bill, it was suggested that the cost of installing such a system would not be worth while. That is merely an opinion, Mr. Speaker. I have not received adequate data to support that statement, nor have I received adequate data to support the suggestion that this steam plant would cost approximately $200,000.

We come to the next point, and that is that the railway companies are converting to diesel locomotives, certainly for switching purposes. In Toronto, I believe the switching locomotives are now almost completely dieselized. This is an improvement but, at the same time, the main line locomotives still burn coal. It is these main line locomotives which cause most of the smoke and soot in the area of which I complain.

Leaving my own constituency and turning to Ottawa, I might say that the other day I noticed a report in the press concerning the enforcement of the Ottawa municipal smoke bylaw. It was stated prosecutions would be launched unless the users of coal-burning equipment complied with the regulations. Unless some amendment such as this is written into the Railway Act, that would mean that other users of coal in Ottawa would be proscribed by the municipal regulations but the roundhouse in Ottawa west would be permitted to emit as much smoke as it desired.

At this point I should like to mention the regulations concerning the emission of smoke by roundhouses. Those regulations require that roundhouses may emit smoke of no greater density than Ringleman's density chart No. 3 for a period of ten minutes per hour. Reading Ringleman's density chart, Mr. Speaker, is something akin to a Philadelphia lawyer deciding what is hard and what is soft. It is a card with a hole in it through which one looks, and around the edges of which are varying degrees of black. I doubt very much whether any two people, or a court of law for that matter, could agree upon what was density 3, density 2 or density 4. Density 5 is almost completely opaque.

I believe that these regulations were written about 1908. In my opinion, they are obsolete. Modern technological progress in smoke abatement requires that something new and better be worked out to protect residents near roundhouses.

It has been suggested that municipal enforcement officers should judge the smoke emitted by the roundhouses in the same manner as they judge the smoke emitted from an industrial plant. Any appeal would be to the board of transport commissioners, as in all other cases under the Railway Act. I had hoped, and I still hope, that the subject matter of this bill might be sent to the railway committee. A good deal of technical information, Mr. Speaker, must be brought forward before a solution to this problem can be found. It would only be fair to allow the railway committee to hear testimony from both sides concerning this matter. I also realize there are always some people who will complain no matter what progress is made.

Let me say this, Mr. Speaker. In the area of which I speak not only is it impossible to put out washing at any time on any day of the week, but even in the hottest weather windows must be kept closed because of the constant seepage of soot under doors and windows, and through crevices. It makes living an intolerable burden to many of the people in that district. Furthermore, even a considerable distance from this roundhouse, if one digs down into the soil one finds a layer of soot and coal dust sometimes more than an inch thick. The houses are black and the whole life of the community is blighted by this smoke.

I am appealing to the house and to the government, Mr. Speaker, on behalf of these people. I am appealing to have this problem brought before a tribunal where those who oppose any improvement, as well as those who actually suffer from the present situation, can be heard.

This is something that affects the lives of many thousands of people in the city of Toronto and the county of York. It is a question to which there is a solution; it is a difficulty which can be and is being solved by the installation of steam-generating equipment and by other less costly means. It is a problem which can be solved if there is the willingness to solve it. On the one side of the equation there is the cost of putting in this smoke-abating equipment; on the other side of the equation is the life, health and comfort of thousands of individuals. I believe that I speak and plead the case for all those who have to put up with this everlasting smoke and soot which emanates from the roundhouse that I particularly complain of.

Mr. T. L. Church (Broadview): I represent a district which is probably suffering more

from smoke and soot than any other residential district in Canada. I refer to the lower section of ward 1, south of Queen street, in which lies the right of way of the C.N.R. over the Don river. It is a soldiers' district that I represent. There are a large number of homes there. During the heat wave the temperatures reached 95, 97 and 98 degrees Fahrenheit at night. Some of the soldiers are living in hovels not fit to live in. Because of the smoke, soot, oil and other things that escape from these engines the mothers must shut the windows at night.

In the first place, we have none of these diesel engines, as far as I can see, and I have looked out the window many times at the place where I live. They are shunting backwards and forwards through this district, assembling cars of all descriptions, making up trains and all that kind of thing. These soldiers' children suffer at night, during the heat. I remember that I received complaints from physicians in the district. They were complaining about the children getting throat trouble, asthma, and bronchitis, and that their lungs, when examined, are found to be filled with this material that escapes from these engines. Not only that, but boats on the route to St. Catharines, and others that put out from the east end of Toronto bay emit the same thing, with the result that the mothers are complaining to me. I am sorry that I have not the letters with me, so that I might read one or two of them.

I do not wish to speak for more than four or five minutes because I think that the hon. member who introduced the bill has covered the points well and deserves a great deal of credit for bringing the bill forward.

Hon. members will notice what the Railway Act provides. They will notice the amendments which have been made. They started long before I was in the house. The Railway Act is chapter 170 of the Revised Statutes of Canada, 1927. Amendments were made in 1928, 1929, 1930, 1932-33, 1938, 1946, 1947 and 1947-48. That is the general Railway Act. The board is now known as the board of transport commissioners; it used to be known as the board of railway commissioners. I may say that I have had some correspondence with the present board about this particular matter and about these soldiers' families, as well as with the housing authorities and others. Some of these families are living in the basement, below the ground, in hovels not fit for habitation. I have complained to the health department and to the city hall about it, but we can get no relief. What is to become of these children?

I have seen these children dragged off the street at night so that they might be put to bed, and when they go to bed they must endure these conditions; and the mothers are suffering intolerable conditions. The viaduct also passes through this district, and it is not a fit place of habitation for children. I am sorry that nothing is done for them. I am tired of making these complaints. I have made them right along ever since I have been a member representing the constituency of Broadview in the city of Toronto. I have complained before about this evil which exists.

Three physicians wrote me letters in which they complained about the throat trouble which they have encountered. These poor children have no place to play except in the street. Some of them have been knocked down by hit-and-run drivers. I know of a street—I think it is called Morse street; it is below Queen street—where the pavements were moved and so forth, and where little children have been knocked down and killed; but the authorities could not find who did it.

One section of the Railway Act is to the effect that the board of transport commissioners, as they are now called, must of their own volition look into these matters. I ask hon. members to mark those words "of their own volition." They have engineers and officials, and many other people. I noticed in the House of Commons the other day we had an increase in the estimates for the board of transport commissioners. As I said the other day, we have a most able chairman now in Mr. Justice Archibald, but he has been too busy with the freight rate increases to give consideration to these matters. I hope that the government and particularly the minister responsible for housing and the health department will be able to do something in the matter. Nothing affects health more than this condition. As a result of this nuisance we have some tubercular children. I speak from what I know to be true.

I wish the hon. gentleman who introduced this bill every success. I know his district out there in York West. I know they are without a steam suburban service, and I know how they are suffering. I have seen some of the trains they have. I believe the hon. gentleman deserves a great deal of credit for bringing this bill forward.

Mr. G. T. Fulford (Leeds): Anyone who has come into Toronto from lake Ontario will I think agree that the smoke menace in that city is a serious one. From lake Ontario you can see the smoke of Toronto long before you can make out the shore line. But I believe there is a far worse menace with regard to smoke than railway roundhouses. The town in which I live, Brockville, is a large terminal of the Canadian National Railways and as such naturally we have

servicing of locomotives. There is naturally a certain amount of smoke that comes from the roundhouses and from the repair shops where those locomotives are being serviced. If one is on the river and looks towards the shore, one can see smoke coming up, but it is largely dissipated in the air. There are also in the town factories which emit a certain amount of smoke, although there is a town bylaw which keeps that condition fairly well under control. But we have a smoke menace far worse than the roundhouse; it is the uncontrolled smoke of lake steamers.

Anyone who lives along the waterways of the great lakes system will know what I mean. The smoke from one steamer is greater in volume than the smoke coming out of all the locomotives that are being serviced and from all the factories in Brockville. I say that without fear of contradiction, and anyone who has seen that will know that I know whereof I speak. It is a serious menace. It is detrimental to the housewife who has to put out her washing. Her whole morning's wash can be spoiled by one ship going by. The smoke seeps into the houses. The type of fuel these steamers burn must be the very lowest type of bituminous fuel. It infiltrates into everything, particularly when traffic is very heavy, as it was yesterday on the St. Lawrence. The whole atmosphere is permeated. It lies all along the shore line. You cannot see very far. I believe the modern terminology for it is smog, smudgy fog. I feel that steps must be taken by the railway committee to see that some solution is arrived at to stop this serious polluting of our atmosphere. We have pollution of water and we have pollution of atmosphere. I am firmly of the opinion that, of the two, pollution of the atmosphere is worse, because you can always filter and chlorinate the water; but the poor human beings are compelled to stand there and breathe the atmosphere. Doctors have told me that there are many serious detrimental gases and acids that we absorb through breathing this contaminated air.

The time has definitely arrived when something concrete must be brought before the Board of Transport Commissioners for Canada to enforce not only a cleaning up of smoke emanating from roundhouses but more particularly from the lake steamers which apparently do not wish to co-operate with the public in abolishing the smoke nuisance.

Mr. A. J. P. Cameron (High Park): I should like to add to the observations of the hon. member for York West (Mr. Adamson), the hon. member for Broadview (Mr. Church) and the hon. member for Leeds (Mr. Fulford). I have a considerable personal knowledge of the situation with which the hon. member for York West dealt so adequately. I have lived in the part of Toronto known as West Toronto for many years. Only very recently, in fact not until after June 27, did anyone think it was worth while asking my opinion as to what should be done to alleviate the smoke nuisance, but I have a personal knowledge of it. As a matter of fact it is public knowledge in West York and in the High Park riding that the St. Clair-Runnymede section has for many years suffered from this particular condition. I believe the Canadian Pacific Railway roundhouse was built in 1912. When the Minister of Transport (Mr. Chevrier) starts to take my speech apart I hope he will forgive me if I have made any misstatements of fact because it was only on Sunday afternoon that I got the information which I now intend to give to the house.

In 1912 a roundhouse was built at the corner of St. Clair avenue and Runnymede road. It has 33 smokestacks disseminating smoke in the neighbourhood, and it operates with an impartial hand. Smoke falls on the Liberals, Conservatives and C.C.F. impartially and alike. It is very bad. In that particular section as far back as 1912, sir, I well recall that no houses were built in that area because of the smoke hazard. That is quite evident from the way the neighbourhood developed. Up until after the first great war no one built much in the area. It was known as the Scarlet Plains. As boys we went there to play cops and robbers. Our mothers asked us to hurry home because after dark it was not considered safe. There was very little habitation there. South of the tracks that same condition persisted. No one bothered to build a house there. Anyone who owned property there just simply let it stand. If you will search the registry office in Toronto you will find that most of the titles there are tax deed titles. No one wanted it. The reason was the smoke which was disseminated over this entire area. It never affected me because fortunately I lived in a part of west Toronto which was far distant from the railroad. Occasionally when we would have a northeast wind I would hear my mother complaining about the fact that she had to take her washing in. There is a situation here which should be brought to the attention of this house.

After the first war there was a considerable development, and criticism of what the railroads were doing began to become vocal. After and during the second world war a great many houses were built. This is serviced land. I would assume that there are many thousands of people now living in that area, who have good homes, and who are

suffering from this menace. That the situation can be corrected is evident from the information which has been given to me. I understand that in the city of Toronto there are two other roundhouses: one known as the John street roundhouse and the other known as the Spadina avenue roundhouse. The John street roundhouse is operated by the Canadian Pacific Railway. There the engines are oil fired. Steam pressure is available so that the engines do not have to stay in the roundhouse until they are completely ready for service. They can go out under their own pressure to the water tank and then go about their business. In that way smoke is disseminated and does not become a hazard in only one localized area.

At the Spadina avenue roundhouse they have overcome the difficulty to an extent in this way. They have built one central smokestack and whenever an engine is being serviced the smoke from that particular engine is funnelled by fans into this one central smokestack and carried high up in the air and is given a chance to dissipate itself. I am informed that the Canadian Pacific Railway claim that they are doing everything within their power to alleviate the situation. They refer to the fact that they have diesel engines in Toronto and they are dieselizing their system. As I understand it, there are 19 diesel engines in Toronto, 10 of which operate out of the Lambton roundhouse. There are 80 coal-burning engines which are serviced from the Lambton roundhouse. These engines are disseminating their smoke over the entire area. If, Mr. Speaker, you had the time, the opportunity and the inclination to visit that district you would see, as the hon. member for York West has pointed out so strikingly, smoke-blackened houses. They have built up an entire new area there, and I wish to support most strongly the demand which the hon. member for York West has made to have the situation alleviated. Whether it should be done by the particular method which he has suggested in his bill or whether it should be done by amendment to the Railway Act I do not know. I have not gone into that particularly, but I do suggest to the Minister of Transport that he give this his earnest consideration. There is a real problem to be solved. The city of Toronto, the township of York and the ratepayers associations of St. Clair avenue and Maybank have organized themselves over the years, and have acquired a great deal of information which the hon. member for York West (Mr. Adamson) has given the house tonight.

These people are greatly concerned about the depreciation in value of their properties. If the prices of real estate do decrease, then those people are going to feel the effect of that process more than the people who live in areas more fortunately situated from the standpoint of smoke nuisance.

This is one of the best areas in the township of York. The smoke nuisance not only affects the residents of York West, but has dissipated itself over into the constituency of High Park—and we want no more of it. I would ask the Minister of Transport (Mr. Chevrier) to give this matter his earnest consideration, and if possible to see that something is done. I would ask, too, that the bill be referred to the railway committee, at which time it could be studied, where representations could be made, evidence heard from both sides, and justice done.

Mr. Gordon Graydon (Peel): Mr. Speaker, I do not wish to take up much time in what I have to say, in the hope that this bill may be dealt with this evening. I should like to add my few words to the excellent contributions made by hon. members on both sides of the house concerning smoke nuisance. I should imagine that this has become more of a problem in those places where population has become more concentrated, and where the urban characteristics of a community have become dominant.

In the southern section as well as some other sections of the county of Peel, which I have the honour to represent, there is a growing menace from smoke. For that reason I should like to associate myself with what has been said by hon. members this evening, and I would seek from the minister some means of redress. He must be in great difficulty from time to time, because if he is not receiving complaints about whistling, he is receiving them about smoke.

We are most anxious to have something done concerning this nuisance, and I hope the minister will have some solution to offer. I trust that he may give us some assurance that the government will support the action proposed by the hon. member for York West. So that we may not be accused of talking the bill out, I shall say nothing further at this time.

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker, the hon. member for York West (Mr. Adamson), who has introduced this bill, will pardon me if I do not follow him in his argumentation of the case. I do feel however I should commend him upon bringing forward this bill for a second time, and also those who have contributed to the discussion.

There can be no doubt that the emission of smoke from roundhouses is a matter of considerable anxiety to the railways and also to the board of transport commissioners. It is a great nuisance, I am sure, to those people who, as the hon. member for Peel (Mr. Graydon) has pointed out, live in concentrated centres. There is no doubt, too, that it is not always easy to find a remedy for a situation, be it as intolerable as the hon. member has described it, or as it has been described by several hon. members who have spoken.

I doubt whether the solution proposed by the hon. member is the right one. However, before dealing with that I believe the house should know something about what has been done and what is now being done by the Board of Transport Commissioners for Canada and by the railways to do away with some of the difficulties which arise through smoke emission from roundhouses, and also because of the nuisance in general.

For at least a year the board of transport commissioners has been giving this problem careful and serious attention. In the first place they saw to it that full-time inspectors were appointed. These inspectors were charged with the responsibility of studying the smoke nuisance, interviewing employees, giving instructions, and suggesting how they might improve the situation in roundhouses and in handling locomotives generating steam. The reports of these employees come to the board from time to time; they are examined, and by reason of them some improvements are made by the railways.

The second step taken by the board of transport commissioners was to see to it that the railway companies installed special equipment on steam switching locomotives for the purpose of abating smoke. A recent check by the board discloses that all steam yard engines working in the Toronto territory have now been equipped with what are known as over-fire jets for the purpose of eliminating complaints in connection with smoke from locomotives.

Then, in the last few years the railways have been doing a tremendous job by way of diesel operations. I shall deal with the city of Toronto in a moment, but I think I should outline the situation generally. There are several kinds of diesel locomotives. First there is the diesel which operates the freight train which moves from one end of the country to the other. Then, there is the diesel locomotive which pulls the passenger train; and there is the diesel in which I should think at the moment the house is particularly interested, namely the one which does the switching. The more diesels the railways can purchase and employ on switching operations, the more can the nuisance from smoke and soot be abated.

Ten years ago there was practically no utilization of diesel engines. Five years ago the position was a little better. As I said a moment ago, in the last few years the railways have been doing an excellent job in the way of purchase of diesels. For instance, the number of diesel road locomotives at present in use in Canada totals 36. Six of these are operated by the Canadian National Railways, and 30 by the Canadian Pacific Railway.

The number of diesel switching locomotives at present in use in Canada stands at 172, and as I said a moment ago that is the class or kind in which the house is more interested at the moment.

Mr. Graydon: That is for both railways?

Mr. Chevrier: Yes, for both. Seventy-three of those are operated by the Canadian National Railways and 99 by the Canadian Pacific. The number of electric locomotives at present in use in Canada stands at 28, of which number 18 are operated by the Canadian National and 10 by the Canadian Pacific. There are at present 35 diesel switching locomotives being used in Toronto, 16 of which are operated by the Canadian National and 19 by the Canadian Pacific. Since I am dealing with Toronto let me show the complete picture. In 1944 the Canadian National had no diesel switching locomotives in use in Toronto; the situation was unchanged in 1945. However they had 4 in 1946, 8 in 1947 and 10 in 1948. Up to September 30 of this year they have 16. I believe it will be recognized that the situation in Toronto is improving considerably.

The figures for the Canadian Pacific Railway indicate that in 1944 they had only 5 such locomotives, while in 1945 they had 10; 1946, 15; 1947, 18; 1948, 19; and the same number up to this date in 1949. So that there are 35 diesel switching locomotives now in operation in Toronto, 16 of which are Canadian National and 19 Canadian Pacific.

With the permission of the house I should like to place this complete table on *Hansard,* as it includes not only the number of diesel switching locomotives in Toronto but also similar information for Montreal.

Mr. Fraser: Are there any here in Ottawa?

Mr. Chevrier: Yes, but I am not able to say how many.

Mr. Speaker: Has the minister leave of the house to place the table on *Hansard*?

Some hon. Members: Agreed.

Mr. Chevrier: Then, the table is as follows:

Re number of diesel switching locomotives in use in Toronto and Montreal—years 1944 to 1949—Canadian National and Canadian Pacific Railways.

Number of diesel switching locomotives in use in Toronto:

In use year ending	1944	1945	1946	1947	1948	1949 at Sept. 30
Canadian National Railways	0	0	4	8	10	16
Canadian Pacific Railway	5	10	15	18	19	19
Totals	5	10	19	26	29	35

Number of diesel switching locomotives in use in Montreal:

In use year ending	1944	1945	1946	1947	1948	1949 at Sept. 30
Canadian National Railways	7	8	7	9	13	18
Canadian Pacific Railway	4	9	13	16	16	21
Totals	11	17	20	25	29	39

Continuing with the statement I was making a moment ago, the number of diesel switching locomotives presently on order but not delivered is 11, all of them being on order by the Canadian National Railways. The number of diesel road locomotives presently on order by the Canadian Pacific but not delivered is 61. As I stated the other night on my estimates, the Canadian Pacific Railway Company have announced as their policy that from now on they will purchase no more steam locomotives, that all their locomotives will be diesel. The Canadian National Railways have indicated that they intend to follow the same policy.

I think most of us recently had the good fortune to see the "Train of Tomorrow," when we learned something of the operation of diesel locomotives. We know that General Motors Corporation intend to establish a new diesel plant at London, Ontario. I think the house will agree that that in itself is significant and indicative of the intention of the railroads to use diesel locomotives in the future.

Before going any further I cannot resist telling the hon. member for York West (Mr. Adamson) that I think he should try to agree with the hon. member for Broadview (Mr. Church). The hon. member for Broadview has been agitating for a suburban steam locomotive service for the city of Toronto, and has been for many years. At present I believe he has questions on the order paper in connection with that very thing. Now the hon. member for York West says that such equipment should no longer be used and to my great surprise the hon. member for Broadview got up this evening to support him. I cannot resist making that comment and I hope my hon. friend will understand that it is not made with the least ill will. I want to say just one word about the bill, which requires that the board of transport commissioners shall make orders and regulations:

(1) requiring all roundhouses and other permanent installations to comply with any municipal by-law of any urban municipality regulating the emission of smoke or soot into the atmosphere but such orders and regulations shall not apply to locomotives in motion;

I am informed that in order to install devices to completely eliminate smoke in the roundhouses of the larger centres only would cost a minimum of $24,000,000, and that is for the Canadian Pacific alone. I am informed also that to install these in other centres which would require them from time to time would cost about $42,000,000. Assuming the same cost for the Canadian National Railways, it would mean a total of $84,000,000. A diesel switcher costs $110,000, per unit, while a diesel road locomotive costs about $250,000 per unit. How many diesel switchers do hon. members think would be purchased if installations such as these had to be placed on the roundhouses, even in Toronto alone?

I wanted to deal with the legality of this bill. I do not think it is ultra vires, although I do feel it comes rather close to the line. However, I submit that it is bad legislation because it would tell the board of transport commissioners, who have jurisdiction in matters of this kind, that they must comply with the bylaws of municipalities. Supposing a municipality passed a bylaw providing that roundhouses should not emit smoke from five a.m. until eleven a.m. or possibly noon, the time during which railroads are busiest. There would be nothing in this bill to stop a municipality from acting in such a manner. If they did it would interfere with the efficient operation of the railroad and accordingly would not be a good thing for them.

While this legislation might not be ultra vires, I submit that it certainly is not good legislation. It is the type of legislation known as legislation by adoption. In other words, we would be setting up a board to do certain things and then putting a clamp on it by saying that it must not do other things unless a municipal corporation says thus and so.

Under these circumstances I appeal to the house not to approve of this bill and not to send it to the railway committee. I ask this because of the last reason I have given and more particularly because of the great progress that has been made by the railroads in purchasing and operating more and more diesel locomotives, on both switching and

line operations. For these reasons I must state that the government is not prepared to accept this bill.

Motion (Mr. Adamson) negatived on division.

SUPREME COURT ACT

VARIOUS AMENDMENTS—ABOLITION OF APPEALS TO PRIVY COUNCIL

The house resumed consideration of the motion of Mr. St. Laurent for the third reading of Bill No. 2, to amend the Supreme Court Act.

Mr. T. L. Church (Broadview): I wish to continue for a few moments the remarks I was making when the house rose at six o'clock. In conclusion I should like to point out certain features about this legislation. The bill now before us for third reading is one of those matters which should be looked into further. I remember what the supporters of the bill have said, but in my opinion the proposals should be looked into further. I had my hand on some details a moment ago but I cannot find them.

The Prime Minister (Mr. St. Laurent) wants to rush this bill through for some reason best known to himself. The proposals which I refer to are set out in the bill. As I have said before, Canada is not going to be talked out of the British empire. If she was going to be talked out of the British empire, she would have been talked out long ago. She will have to be fought out of the British empire.

I think we all remember what happened back in the thirties. Those were dark days for Canada, but the mother country came to our rescue with preferential treatment which brought about increased trade. If we adopt this proposal we are going to lose all that. We all know that Mr. Fielding once advised the adoption of preferences, and the six cent preference on wheat was adopted. There is no doubt that the Liberal party rounded it out and made a success of it. It all started away back in 1897 after Sir Wilfrid Laurier was prime minister. He gave the six cents per bushel on wheat. It took a long time to accomplish results and it was not until the thirties when there was a world depression that the prime minister of Great Britain and other prime ministers met here in Ottawa and adopted what were known as the Ottawa agreements. The man who was leader of the house then is now dead.

If you ask me, I think we are going a long way in this proposed bill. Why is it necessary to get it through tonight? Many government members are absent, together with members of other parties. Who is causing all this upset; who is responsible for this jumpy style of doing business in the House of Commons, when we have the bar association, the provinces, the attorneys general and others asking that the matter be given further consideration? We need men in this house like the late Clarke Wallace, Dalton McCarthy, and the late John Ross Robertson and others who were here years ago, who would forget all about the party system and think only of the country first, last and all the time. We need men of that stamp in this House of Commons today.

As I was saying before six o'clock, Mr. Speaker, we must go back a long way to get the history of this thing; but there will always be an England and there will always be an empire. This legislation is largely founded on the separatist doctrine, because that doctrine holds that the supreme court should be the ultimate court in Canada. In its issue of Monday, September 26, an important newspaper in Toronto had this to say:

> Canada cannot at present amend her own constitution or settle her own law cases in her own courts. "Badges of colonialism," exclaims the Minister of Justice. Mr. Garson is right; and right, too, in saying that these badges should be "stripped off."

Then they go on to name someone who they think should be governor general. Half a dozen names have been suggested for that post. One is the chief justice of Canada; another is a former prime minister; another is Malcolm MacDonald. If you look at the proposed bill you will see that it is in two sections, one dealing with what might be called statutory appeals and the other with appeals of grace. Where are we going now under 20th century Liberalism if we are going to take away from a private citizen the right to petition the king? We must not forget that notwithstanding this legislation he is still the king of Canada, as he is the king of New Zealand and the king of Australia. He cannot divide himself in two; he is still and always will be the king of Canada.

We have had the Magna Carta, the Bill of Rights, the Petition of Rights, and all the rest of those things. Every British subject, whether he lives in England, in Quebec, in Ontario, in the west, in New Zealand or Australia, has had the right to appeal to the foot of the throne with regard to his citizenship and also with regard to his property and civil rights and his liberty as a subject. Several distinguished men have occupied the position of minister of justice in this country. I have referred to Sir Allen Aylesworth, who was a brilliant lawyer; Sir Charles Fitzpatrick, who was minister of justice, attorney general and solicitor general, lieutenant governor of Quebec and chief justice of the Supreme Court of Canada; Sir Lomer Gouin, and

others. We have also had many outstanding men as attorneys general of the provinces.

In dealing with what has brought about separatism I referred to a brilliant textbook on the Statute of Westminster, and how it affected New Zealand, Australia, South Africa and the other dominions and crown colonies.

Mr. Deputy Speaker: Order. I am sorry to inform the hon. member that he has exhausted his time.

Mr. Church: I could finish what I have to say in only three or four minutes.

Mr. Deputy Speaker: The hon. member has now exceeded his time, and he may not continue except with the consent of the house.

Mr. E. T. Applewhaite (Skeena): Mr. Speaker, as a Canadian, as a Liberal, and as one who takes second place to no one in my loyalty to the British commonwealth, I strongly protest against the unjustifiable and unfounded claims being made that legislation of this type is in some way selling out Canada's interest in the commonwealth of nations. I would ask this house whether Canada, when it adopted its own Royal Canadian Navy, abandoned the British empire; whether Canada, when it adopted its own Royal Canadian Air Force, was abandoning the British empire; whether Canada, when it gradually learned to stand on its own feet, was abandoning the British empire. Or did we assist in maintaining the British empire and the British commonwealth of nations? I ask you, Mr. Speaker, if it is not a fact that because this country had learned to stand on its own feet and make its own decisions it has been able, during the recent war and since, by means of the Atlantic pact, to make a contribution not only to the British commonwealth but to the world at large of which Canada has no occasion to be ashamed. And I suggest that it is high time somebody expressed that view in this house.

With respect to this bill may I, as a new member who perhaps should not be raising his voice on this occasion at all, suggest that Canada had ample opportunity last June, and took advantage of that opportunity, to decide on the principle. I suggest also that this house has had ample opportunity during the past month, and particularly on the motion for second reading, to decide on the principle of the bill. I suggest that the house and the country have decided, that the bill has been considered clause by clause, and that both the house and the country would like us to finish this practically completed business and get on with the other business of parliament.

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

Mr. Church: I had a motion, Mr. Speaker.

Mr. Deputy Speaker: I declare the motion carried.

Mr. Church: I wanted to move the six months hoist, if I could find a seconder, or to recommit the bill to committee of the whole with instructions.

Mr. Deputy Speaker: The motion for third reading is carried.

Mr. Church: Surely you are going to put my motion.

Mr. Deputy Speaker: I declare the motion carried.

Mr. Church: I said I had a motion which I handed in before six o'clock, if I could find a seconder, to give the bill the six months hoist or to recommit it.

Mr. Deputy Speaker: The motion has been declared adopted.

Mr. Church: You may railroad it through, but I can tell you that there will be an appeal. I rise to a point of order. When the Speaker was in the chair I handed him a motion, before you took the chair at six o'clock. I only want fair play; I do not want to break any rules; I respect the Chair. I wish to call to your attention the fact that I handed in a motion regarding this particular bill. I handed it to the Speaker and I handed it to you, sir, when you were chairman of the committee. I believe you saw it. I wish to object to this procedure because it is not fair. If we had men in the house now like N. Clarke Wallace, Dalton McCarthy and John Ross Robertson, they would have strongly opposed such a bill as this. I was not given time to read my motion to recommit the bill to the committee of the whole. I was to have a seconder, but had no opportunity to read the motion. I know the rules of this house as well as any man.

I am asking that the bill be sent back to the committee. You have ruled that out of order, and I wish to appeal from your ruling.

Mr. Fauteux: It is against the rules of the house to debate a question which has been settled. This bill has been passed by the house and it is against the rules to debate the matter now.

Mr. Church: We have a different Speaker now. On a point of order, I ask for the Speaker to preside. I think I am entitled to that. The bill has not been passed in accordance with the rules of the house. If all the members on our side of the house had been present today, there would have been a division on the principle of the bill. Is this bill going to be passed, signed, sealed and delivered? Under the rules of the house, I do not see how it could be because there has

been no compliance with the rules. I wanted a recorded division. I am an old member of this house and I have not been treated in this manner before.

Mr. Deputy Speaker: The rules have been followed and the bill has passed. The debate, therefore, is finished.

Motion (Mr. Garson) agreed to on division, and bill read the third time and passed.

SUPPLY

Right Hon. J. G. Gardiner (Minister of Agriculture) moved that the house go into committee of supply.

APPOINTMENT OF MR. DONALD GORDON AS PRESIDENT OF CANADIAN NATIONAL RAILWAYS

Mr. Donald M. Fleming (Eglinton): Mr. Speaker, this afternoon the Minister of Transport (Mr. Chevrier) made an announcement of considerable importance. Briefly, I should like to make an observation or two about that announcement. In so far as that announcement contained news of the retirement of Mr. Vaughan from the presidency and chairmanship of the board of the Canadian National Railways, I think all members of the house would heartily join with the minister in the well-merited tribute he paid to that gentleman. However, the minister proceeded to announce the appointment of Mr. Donald Gordon to succeed Mr. Vaughan in the two offices of president and chairman of the board.

At the outset, I should like to make it quite clear that in these brief remarks I am speaking for myself, and I do not claim to speak for anyone else. Moreover, I do not wish anyone to construe anything I may say about the appointment as a personal reflection in any sense upon Mr. Donald Gordon. What I have to say concerns the principle at stake in the appointment. So far as Mr. Gordon is concerned, I respect him as a man of great ability, a man of vigour. I say, Mr. Speaker, that in the appointment which has been announced the government has done violence to an important principle, the principle that hard work and faithful service should be recognized within an organization by promotion.

These two positions are positions of great importance. I do not suppose there are half a dozen positions in the whole of this country that are more important than the positions which have been filled in the way indicated by the government today. As I said, the principle which in my submission has been violated is the principle that the office should be filled by promotion and that faithful service should be rewarded by promotion.

It ought to have been possible to fill these high offices by promotion within the executive organization of the Canadian National Railways. Was that impossible, Mr. Speaker? I say this: If it was found to be impossible then it is a reflection upon the administration of that great institution. In a great organization of that kind, those charged with executive responsibility should be seized at all times with the responsibility of bringing on men capable of assuming greater executive responsibility. If, in the view of the government, such a man was not available within that organization then I say he should have been. If such a man was not available, then there has been some failure. Personally, I am disposed to believe that there were men of proven executive ability within the Canadian National Railways who are capable of meeting the demands of these two high offices.

I recall to you, sir, that when Mr. Hungerford was appointed president of the Canadian National Railways, that appointment was hailed by the government because it represented the appointment of a man who had worked his way up within the system. Similarly, when Mr. Vaughan was appointed president, the same thing was said, and rightly said. Here was the evidence for all to see. The reward of the highest rung on the ladder within the Canadian National Railways organization was available to those who were prepared to work and give faithful and devoted service.

Mr. Pouliot: What about Sir Henry Thornton?

Mr. Fleming: What do we find here? We find an appointment has been made which, in my view, is going to be very damaging to the morale of the organization. It simply means that those who have been carrying the responsibility in the organization are being told by the actions of this government that the top rung of the ladder is closed. It is not open to them. It will not be open for some time, in view of the fact that Mr. Gordon is, I believe, still in his forties. This means that those who have reached executive rank in that organization and those who, in the ordinary course, might expect to reach executive rank within the next few years, find that there has been a limit placed on the steps in the ladder that may be attained by promotion within the system.

It is the boast of the railways in the United States, and it is based upon ample evidence, that within the railway system there is a career open to merit. You will find that boast made throughout the railways of the United States, time after time, as one man comes to the presidency or a position of leading executive importance. In one railway

after another, you will find that the man has started on the lowest rung of the ladder in the railway system, whether as a section hand or train crew or any other position and has worked his way up until he has been rewarded with the highest executive position in the gift of the company—a career open to merit. And why should it not be so in Canada?

By the action of this government, those who had hoped there would be a career open to merit within the Canadian National Railways system, a career open right to the top, are now told that the career ends before the top rung of the ladder can be reached. That is one aspect of the principle, sir, involved in this appointment today. It is that principle to which violence has been done by the government.

The second aspect is that Mr. Gordon, with all his ability—and again I am stressing that I am not making any personal issue of this—is completely without experience in railroading. So far as I know, Mr. Gordon may not even have sought the office. I should like to tell the house, though, that a knowledge of railroading is not something that one can pick up in a month or two. I expect some hon. members of this house have had some experience in railroading. Over the past twenty years I have had considerable experience of a legal nature with railways, and I have had enough contact with them to know that the railway business is an exceedingly complicated one; it has many ramifications. The complexity of the business extends to its organization, its operations and to the manifold problems that railways face. A man without any experience at all in railroading has now been made chief executive officer of the Canadian National Railways.

The third aspect of the principle involved in this appointment is the question of how far the government is warranted in interfering with normal management and operation of a government-owned railway system. In my submission the Canadian National Railways system will function best if the government does not interfere with its management. If we are to have interference by government in the management of the railway, then the attempt of the Canadian National Railways to carry on efficiently will be bedevilled at every turn. I wish to pay this tribute to Mr. Vaughan. Throughout his tenure of office as president and chairman of the board, Mr. Vaughan sought to maintain that principle and to operate the system without interference of a political nature.

It is quite true that the statute under which this appointment has been made contemplates that the government should have a voice in the appointment. Section 10, subsection 1, of the Canadian National-Canadian Pacific Act, 1936, which is chapter 25 of the statutes of that year, provides as follows:

> The directors shall appoint, subject to the approval of the governor in council, a president of the national company who may be the chairman of the board of directors, or a person, other than one of the directors. The president, as such, shall hold office during the pleasure of the directors and, notwithstanding anything in this act, shall be paid by the national company such sum, salary or remuneration as the governor in council may approve.

It is clear that what the statute contemplates is that power of appointment should rest in the hands of the board of directors of the Canadian National Railway Company, with a veto in the hands of the governor in council. It does not contemplate that the appointment of the president and chairman of the board should initiate with the government. With regard to the principle that I have submitted to the house as a desirable one to maintain, namely, that there should not be government interference in the operation of this railway system, I say to the house that great damage has been done today by the government. If this parliament really approves the principle of rewarding faithful service with promotion, then certainly we representing the people of Canada will wish to be an ideal employer as far as that may be possible. Representing the people of Canada as we do, we want to be the kind of employer who will be an example to other employers. In this government's action today, is there a worthy example to other employing organizations? I submit not. I submit that this is the kind of action that discourages people, when they see that the top jobs are not to be won by faithful service within the organization, when they see that these jobs go to people brought in from the outside by a government.

In my humble opinion there is far too much of this sort of thing throughout the government service generally, and it is going to be no help to the Canadian National Railways to see this sort of thing carried to the extent to which, in my submission, it is carried in the announcement made today, taking the plums and denying them to those who have worked faithfully within the service and who were legitimately entitled to feel that those plums were within their reach if they qualified within the fair rules of work. It is not simply a question of the effect on those who hold executive rank today; it is a question of the effect on the morale of every one right down to those on the lowest rung of the ladder in the whole Canadian National Railways system, when they see that this career is no longer one open to merit all the way through but is

open to merit only until they advance so far, and that the plums at the top are not to be won by faithful service.

Whatever may be said about the merits of Mr. Donald Gordon as a capable man—and again I emphasize the fact that I am making no reflection on him personally; I am not making a personal issue of this with regard to Mr. Gordon; I would have the same thing to say with regard to any appointment the government might have made today of anybody who had not been drawn from within the Canadian National Railways service—I think there is at stake here a vital principle that this house ought to vindicate, and that this principle has been shamefully violated in the government's decision that has been reported.

Mr. Jean François Pouliot (Temiscouata): In answer to what has been said by the hon. member for Eglinton (Mr. Fleming), I want to say that I noticed something that surprised me greatly. He has protested against the appointment of Mr. Donald Gordon as president and chairman of the Canadian National Railways; but in the whole of his speech there is only one man for whom he had praise, and it was precisely that same Mr. Donald Gordon. He protested against the appointment but he praised the man. I do not intend to discuss whether he was right or not; I am not in a position to pass judgment. I shall wait to see what happens. Then I will express my opinion about Mr. Gordon.

I deeply regret that my friend the hon. member for Eglinton, who is so well informed about everything that is being done in this country and about everything that is published in the press, has overlooked the fact that last week one Ottawa paper mentioned the possibility of the appointment of Mr. Donald Gordon. It was then that he, with his foresight, should have warned the government against such a step; he should have asked the government on the orders of the day: Is it true that Mr. Gordon is to be appointed to such an important post? If he had found that to be so, he would have roared like all the guns of the navy.

Mr. Fleming: Will the hon. member permit a question?

Mr. Pouliot: Yes.

Mr. Fleming: Will the hon. member indicate how that necessary warning might have been given on the orders of the day?

Mr. Pouliot: Oh, the hon. member could have asked the government a question as he often does.

Mr. Fleming: But not warn them.

[Mr. Fleming.]

Mr. Pouliot: Oh, no; first a question, before the warning, because it is important to be well informed before warning anyone. The hon. member could have asked the government, Is it true that Mr. Gordon will be appointed?

An hon. Member: And be told that it is a matter of government policy.

Mr. Pouliot: He might have been told: Yes, no, perhaps; or, it is none of your business. Whatever might have been the answer, he could have risen in protest.

An hon. Member: And been out of order.

Mr. Pouliot: He could rise on any occasion and serve the house with his warning and introduce all the roaring of the guns.

There is something else that struck me as surprising, and it is this. When my hon. friend was speaking, he was deaf to my interjection. He mentioned some of the past presidents of the Canadian National Railways. Mr. Hungerford was with the Canadian Northern. Mr. Vaughan was with the railway a long time. But the biggest of them all was Sir Henry Thornton. He was not brought up with the Canadian National Railways. He was born in the United States but had served on the English railways during the war and made quite a success of his job at the time.

Mr. Fleming: He was a railway man with a lot of experience.

Mr. Mitchell: Who chopped off his head?

Mr. Pouliot: If it is necessary to be a railway man to have experience in the matter, how can my hon. friend, a Toronto lawyer, speak about it with experience?

Mr. Fleming: I shall be glad to tell you sometime.

Mr. Pouliot: I know my hon. friend can lecture anyone.

Mr. Fulton: Not half as well as you can.

Mr. Pouliot: And always successfully, and it is a delight to listen to him. If Sir Henry Thornton had been a dwarf he would not have been forgotten, but he was physically the biggest man of his day. Mentally he was quite good, too. The hon. member had no reason to forget him, and if Sir Henry Thornton, who was not from the Canadian National Railways, was so popular amongst the employees that he is the only past president of any railway who has a tablet to commemorate him in all the important railway stations, it is a good example to cite.

One argument used by my hon. friend was that the appointment of Mr. Donald Gordon would be unpopular with the men because he

did not belong to them. That was his argument. On that point he did not mention the fact that Mr. Gordon was not a railway man. He mentioned the fact that he did not belong to the Canadian National personnel. Neither did Sir Henry Thornton. Therefore I hope that when my hon. friend makes another pronunciamento he will not speak so much *ex cathedra* and will be broad enough to admit that there is possibly another point of view and that perhaps the point of view of the other fellow may not be so bad after all.

Mr. T. L. Church (Broadview): I wish to refer to the appointment for three or four minutes. There is no doubt about it that Mr. Donald Gordon did a great deal of useful work during the war and for a month or two afterwards in connection with the finance department. It was a Conservative government that established the Canadian National Railways as a national system many years ago, during 1919, 1920 and 1921. It proved to be a useful organization. There were two Vaughan brothers. The Vaughan family is an old family. In fact years ago when I was a very young alderman I sat with the father of Mr. Vaughan in the city council. One of the brothers went to the Canadian National Railways and performed a very useful public service. During the war he was overworked because of war work and many other activities. He dealt with many other economic conditions besides the railways and he rendered valuable service to the people of this country as president of the Canadian National Railways. His brother was one of the past presidents and head of Eaton's. It is well to remember that the principle of promotion might have been considered by the government, because I believe in the principle of promotion if you have a man with executive ability to take the place.

In the dark days of 1917 a royal commission was appointed to make a survey of the railway systems of this country. In this appointment one of the cardinal principles in the report of that commission is being violated. The Drayton commission consisted of Sir Henry Drayton, who was chairman of the board of railway commissioners at the time, Mr. A. H. Smith, who was president of the New York Central, and Mr. Acworth, a great British engineer, who during the war was head of a great system in England. He was a great railway man. It was said by the leaders of the government, the opposition, and others that Mr. Acworth was one of the greatest railway men of the great railways of the world. They were appointed to survey the railway system of this country, not only the C.N.R. but the other railways as well. They reported to the government. What was their report? Their report said that there should be no appointment until it was agreed to by the railway commission.

In connection with this appointment, I think we might have tried to obtain a great British engineer. We tried three or four Americans before. They were all good presidents and did good work no doubt, but when we did not have a promotion in the ranks I believe we should have tried a great British engineer. We should have brought one out here. We should have tried an engineer who knew something about the war and war conditions in connection with the British railways. During the war over there they linked up all the various branches, which we have not got, and they performed useful service. I am sorry that the government did not consider that feature of it. That is all I have to say. No doubt Donald Gordon has been appointed by the financial powers. I wish him every success. I believe we would have been far better off if we had acted the way I proposed and got a British engineer. We should have tried one of that description to head this great national asset.

Motion agreed to, and the house went into committee of supply, Mr. Dion in the chair.

DEPARTMENT OF NATIONAL REVENUE

Customs and excise divisions—

296. General administration, $1,506,165.

Item stands.

DEPARTMENT OF RECONSTRUCTION AND SUPPLY

381. Departmental administration—formerly under demobilization and reconversion, $98,180.

Item stands.

SECRETARY OF STATE

401. Departmental administration, $150,820.

Item stands.

Mr. Graydon: How many departments are left to be originally entered?

Mr. Gardiner: I am not absolutely certain. I have not been here every evening but I think eight are in.

Mr. Green: Ten.

Mr. Graydon: This will be thirteen out of the total number?

Mr. Gardiner: Yes.

Mr. Casselman: How many are there altogether, sixteen or eighteen?

Mr. Gardiner: There are five more.

DEPARTMENT OF AGRICULTURE

23. Marketing service—marketing service administration, $150,090.

Mr. Browne (St. John's West): What page is that on?

Mr. Gardiner: This is the item we discussed for the greater part of two hours the last time these estimates were before the committee. I think it is about time it was carried.

Mr. Graydon: That does not indicate a thing.

Mr. Gardiner: It might not; I was not discussing it all the time.

Item agreed to.

24. Marketing service—agricultural economics, $390,120.

Mr. Argue: I notice that the department of agriculture in the United States issues statistics showing the share received by the farmer from the consumer's dollar. Their figures show that the farmer's share of the dollar paid by the consumer has dropped from 55 cents in 1948 to 48 cents thus far in 1949. I believe there is a widespread feeling that the high cost of food to the consumer has been caused chiefly through high prices on farm products paid to the farmer.

I should think similar statistics would not be difficult to compile in Canada, and I wonder if the minister would consider having the economics division of his department compile statistics from time to time showing the farmer's share of the consumer dollar.

Item agreed to.

25. Marketing service—dairy products, $594,077.

Mr. Catherwood: The hon. member for Leeds mentioned the surplus supply of canned milk in that county. Could the Minister of Agriculture tell us what are the prospects for the marketing of evaporated milk, powdered milk and condensed milk?

Mr. Gardiner: That subject was discussed at considerable length the other evening, the question as to whether or not it is possible to market the butter—and I understand it is that to which the hon. member is referring.

Mr. Catherwood: I am referring to evaporated milk.

Mr. Gardiner: There are many different kinds of canned milk. I find that the stock of condensed milk at the beginning of 1948 stood at 2,654,000 pounds. The production during that year was 39,741,000 pounds. The exports amounted to 21,219,000 pounds and the domestic consumption was 17,587,000 pounds. The carryover at the end of the year amounted to 3,592,000 pounds.

[Mr. Gardiner.]

That brings us down to the beginning of this year. Naturally we have not the figures yet for the end of the year, but we have figures down to the end of June. The total quantity of concentrated milk products manufactured in June was approximately 49,750,000 pounds, a decrease of 7 million pounds as compared with last year. Concentrated whole milk products declined to the extent of almost 7 million pounds, while milk by-products registered an increase of about 750,000 pounds. Evaporated milk, one of the most important of the whole milk products group, showed a decline of 4,500,000 pounds; and the production of skim milk powder, the leading skim milk product, declined 750,000 pounds.

The importance of those figures is that the production of all these milk products is on the decline. It may be argued by some that that is not a good thing. There are others however who would argue that, in the long-time interest of the dairy industry, it is not a bad thing to have the production of canned milk somewhat slowed down. The long-time planning and policy in connection with Canadian dairy farming has been that the surplus milk should go into the production of cheese. This has been due to a number of factors with which most members of the committee are familiar, and I do not feel I need discuss them this evening.

There are certain sections of Canada where it is most important, if they are to be able to carry on dairying effectively, that a very considerable quantity of milk be turned into cheese. There was a time, just at the end of the war, when it paid better to put milk in cans; and because it paid better to put milk in cans by far the greater part of the surplus over and above the whole-milk consumption and butter consumption went into cans. There was some difficulty in marketing the full amount of that production.

The result has been that the farmers have been delivering the milk to cheese factories rather than to canning factories in much greater quantities, and we are on the way back to producing greater quantities of cheese. I said in the discussion the other evening that, whereas we had entered into a contract with Great Britain at the beginning of this year to sell her 50 million pounds of cheese, no one who was preparing the statistics at that time thought we would be able to produce that amount, basing his estimates on the record of the last few years. But because of what I have just mentioned, namely the difficulty of marketing canned milk at the same price as that at which it had been marketed a year ago, the farmers turned over to cheese, with the result that at the end of

the season we had 10 million pounds more than we had contracted to sell to Great Britain.

I wish we had had a proper estimate at the beginning of the season, because I am satisfied that last December we could have sold that 10 million pounds of cheese to Britain. Had we known we were going to have 75 million pounds of cheese, we could have sold it. But since everyone who was compiling statistics and who was associated with the dairy industry in this country believed we could not produce more than 50 million pounds—indeed believed that we could not produce that much—we finally, in order to assist Britain in the matter of dealing with dollars in advance, said to her, "We will cut the contract down to 50 million pounds, because we think that is a little more than we are going to have".

This change in the balance between cheese and canned milk has put us back on the road we were trying to follow before, and which we found very difficult to follow, namely the process of producing cheese for the British market, which has always been available to us throughout the years, and which we believe will be available to us in the years ahead. And so now, when we are discussing a contract with Great Britain for the coming year, we are insisting upon raising rather than lowering the figures. I have an idea that we will get rid of the surplus of canned milk of one kind or another—and there are three or four different types of it. One would have to go over the figures for all of them to get the exact position.

I am of the opinion that we will be able to get rid of that canned milk to fairly good advantage, but indications are that we will not be able to get a return sufficiently high to induce people to stay away from the production of cheese. As I said a few minutes ago, I am not at all sure that that would be a bad thing for the dairy industry over a long period. It might be a good thing to encourage rather than discourage the transfer of more and more surplus milk into cheese.

Mr. Fulford: During that transition period there would be 2,250 milk patrons in the county of Leeds who would not know which way to turn. The evaporated milk companies are still operating to the point where it is not economical for them to go ahead. They are building up every possible bit of storage and unless they are able to sell their stocks I do not know what is going to happen to the milk patrons. Through the years the number of cheese factories have diminished until, good as the factories are, they are simply not able to look after the supply of milk available. I ask the minister to give serious consideration to getting rid of these surplus stocks that seem to be piling up beyond all reason.

Item agreed to.

26. Subsidies for cold storage warehouses under the Cold Storage Act, and grants, in the amounts detailed in the estimates, $1,201,923.

Mr. Argue: I understand that these subsidies are paid for storage plants at the processing and wholesaling levels rather than at the consumer or retail end. According to the details of the amounts to be paid out, it would appear that some areas will receive quite large subsidies while other areas will receive practically nothing. I notice that Quebec is to receive around $115,000; Ontario a little over $250,000; British Columbia some $400,000 while the total for the three prairie provinces will be a little less than $52,000. I am not complaining about the amounts to be received by any particular province, but I do want to point out that there is what I think is a real need for subsidies to locker plants in small towns, in particular on the prairies.

Many towns have inadequate train service during the winter months and it is impossible for the local merchants to bring in quantities of fresh fruits and vegetables. If an incentive were provided I am sure that a number of quick-freeze locker plants would be erected in the small localities. This would greatly improve the health of the people in the area and would provide a market throughout the year for perishable fruits and vegetables. I understand that there is some difficulty in finding a market for our fish. The farmers on the prairies would be glad to consume more Canadian fish if they could buy that wholesome product during the winter and place it in locker plants to be consumed during the summer. I submit that the minister and his officials should give serious consideration to extending this subsidy of thirty per cent to cover locker plants.

Mr. Gardiner: I think the Cold Storage Act dates back to 1907, which was long before we had the freezer plants that have been spoken of. The act provides that where a cold storage plant is made available to the public, whether it is under the control of an individual, of an operator or of a company, if it makes application before construction is started the government may agree to pay thirty per cent of the cost, half during the first year and the remainder being spread over the next three years.

I cannot recall an occasion when an application from Saskatchewan or Alberta has been refused. I think I am correct for

the fifteen years that I have been here, and I doubt very much if any applications were refused prior to that time. If similar amounts are not being paid to Saskatchewan and Alberta and Manitoba as are being paid to other provinces in Canada, I think that is due to the fact that there are not as many in those particular provinces who have found it advisable to put in cold storage plants.

I think the real explanation has been given by the hon. member when he says that this type of storage is mainly to take care of products moving into market to be held in cold storage for a certain time. Usually these cold storages are located close to the larger centres where the consumption is going to take place. There is considerable storage in Winnipeg, Vancouver and many of the eastern cities.

The small freezer or locker plant has developed during recent years, particularly since the war. An amendment to this legislation was passed, I think two years ago, to deal with the point raised by the hon. member for Assiniboia. If an individual was putting up a locker plant for the purpose of making a profit for himself, we were not so much concerned. But if a group of people got together to form a co-operative with the idea of putting up a plant of this kind, consideration would be given to providing assistance. In areas throughout the west or east, where groups of farmers or consumers get together in a village or town in order to create facilities of this kind, assistance can be given under this act. I think that is as far as we have gone to meet the situation outlined by the hon. member.

Mr. Argue: I thank the minister for the information, but I can tell him that I do not think these facts are known throughout the country yet. I wonder if he could tell me tonight, or perhaps at a later date, how many applications the department has received for assistance to locker plants in the three prairie provinces during the last year or two.

Mr. Gardiner: There have been a number, but I have not the exact information. I can give it later.

Mr. Argue: Do I understand there have been a number of applications but they have not been passed upon as yet?

Mr. Gardiner: Some are being paid.

Mr. Argue: Well, Saskatchewan is to get $6,454 in 1949-50 for the Prince Albert Central Storage Limited. That does not look like a locker plant, and according to the estimates no other plants are to be given assistance. So I would like to know if the applications have been turned down or if decisions have not yet been made.

Mr. Gardiner: Applications have been received since the act was amended. If those applications came in two years ago, or immediately after the amendment of the act, half the amount would be paid that year and a proportion in the succeeding years. It would not be a considerable sum of money in connection with that type of plant. As my hon. friend knows, there is no comparison between the amount of money invested in a locker plant in a village or town in Saskatchewan and the amount invested in a large cold storage plant, which sometimes runs into tens or hundreds of thousands of dollars. In comparison these are very small plants, and it would take a number of them to account for even the $50,000 mentioned.

Mr. Argue: I wonder if the minister could name one locker plant in Saskatchewan that has ever received money under this grant. Personally I doubt very much whether anything has been paid to any locker plant there, but I should like to know.

Mr. Gardiner: The present position as far as Saskatchewan is concerned is that we are still paying only on the Prince Albert plant. In other words the grants to the other cold storage plants there, of whatever type they may be, have been fully paid. I repeat that at the moment I cannot recall any considerable number of plants in Saskatchewan asking for this grant during the time I have been here. In other words, not as many plants of this type are being established in Saskatchewan as are found in some other provinces, the principal reason being that our cities have been pretty well supplied with cold storage facilities in previous years and are still being served by those facilities. I have in my office now an application from a gentleman who wants to put up a cold storage plant in Regina, and another from the same gentleman who wants to put up a plant in Saskatoon.

Mr. Argue: A locker plant?

Mr. Gardiner: Yes, a very large plant; not one of the type my hon. friend has been discussing, but an up-to-date plant that would take care of the same type of products on a much larger scale. That has not yet reached the stage where we have been able to pass upon the application. It has been discussed with us orally and we have had some letters with regard to it, but it is not in a form in which it can be finally considered by the government. I could name two or three or more who have applied to me for cold storage assistance. I have turned those applications over to the proper authorities in the department, but each individual concerned has not complied with the requirement that it

be made a co-operative, a plant that really belongs to the people making use of it. That is a matter for the judgment of the person putting up the plant. I presume they figure they can do better running it the other way, and instead of pressing for the grant I suppose they have gone ahead themselves.

Mr. Argue: Then has the minister received any applications from co-operative associations for subsidies for the construction of locker plants on that basis? If he has not, I can tell him that he will get one or more in a very short time.

Mr. Gardiner: I cannot say at the moment; but if I can get any co-operative to send in an application I assure you it will receive consideration.

Mr. Argue: I think I can have one application in within a short time, and probably two or three more soon after that.

Mr. Fair: Am I correct in assuming that this assistance would not be given to individuals building these plants for their own profit?

Mr. Gardiner: No, we do not make the grant where the plant is put in by a butcher, let us say, for his own use in connection with his own business.

Mr. McLure: Was there not an application from some people in Prince Edward Island, and particularly from Queens county, for cold storage subsidies or benefits? I brought up this matter over a year ago, in connection with a small butter and cheese factory known as the New Glasgow Dairying Company. I hope you have given that application consideration, and that the subsidy will be paid this year. While I am on my feet I might also ask whether there are cold storage plants in which butter can be kept for more than six months and still be fit for human consumption and, if so, where they are located.

Mr. Gardiner: I understand there was one application from Prince Edward Island, as far as our records show, but that application was received after the building was under construction. Our act definitely states that unless the application is made before construction is commenced, the grant is not permitted. It would not be fair either to this committee or to the public to say that payments have not been made in cases where the applications have been made after construction was started, but any case of that kind has been brought here to the floor of the house as a special vote. If you go back over our estimates you will find there have been one, two or half a dozen of these grants which have been brought in individually. It has been explained when the vote was put through why it was being done in that way. In other words the house itself legislates in connection with these individual cases after all the facts have been presented. I daresay that procedure would not be followed in connection with a plant that was deliberately proceeded with, the idea being that they did not need any assistance and therefore should not be required to live up to the regulations governing that assistance; and no doubt a large number of plants in Canada have had no assistance at all. They probably never applied for it. In some cases, application has been made years after the cold storage plant has been put up and it has been refused. The reason for refusing this particular one was, in the first place, that application was not made until after the building was under construction. My information is that the building was inspected and was found to lack a proper foundation. It was not considered, therefore, a proper structure upon which the government should make an advance.

Now, as to the question about the storage of butter for longer than six months, I am not a specialist on this question, but I am informed that any of the cold storage plants storing butter in Canada under government inspection will keep butter for longer than six months.

Mr. McLure: How much longer?

Mr. Gardiner: I do not know; that has never been tried out.

Item agreed to.

27. Fruit, vegetables and maple products, and honey, including grant of $5,000 to Canadian horticultural council, $928,660.

Mr. Elderkin: Mr. Chairman, as a new member it is with a great deal of diffidence that I take the liberty of making a few remarks during the discussion of these estimates. As a farmer representing Annapolis-Kings, which is essentially a rural constituency, I feel that I would be remiss in my duty not only to my constituents but also to this house, if I did not attempt to explain some things which are of vital importance to Annapolis-Kings. I hope they may be of considerable interest to all hon. members.

First, I should like to say how much the people of Annapolis-Kings appreciate the friendly and helpful attitude of the government to our problems. In particular, I should like to commend the right hon. Minister of Trade and Commerce (Mr. Howe) and the right hon. Minister of Agriculture (Mr. Gardiner) for their helpfulness during the past troublesome years. We particularly appreciate their splendid efforts in effecting a sale of Canadian apples to the United Kingdom this year.

Hon. members are probably aware that the Nova Scotia apple industry has been a war casualty since 1939. The financial support being given by the dominion and provincial governments to the marketing of Nova Scotia apples with a view to saving the industry will, I believe, be approved by the Canadian people generally. People will realize that the chief outlet for our apples in the United Kingdom has been lost through no fault of our own. When trees were set out in Nova Scotia which would produce the varieties most popular in Britain, there was every reason to believe that our crops would continue to be saleable in a stable and profitable market. With the loss of the British purchasing power, we now face the probability of being years without that profitable market.

In the meantime, attempts have been made to revamp our industry. Although we still talk in terms of barrels, there are four large modern cold storage plants in which standard boxes and crates are packed. There are also six smaller cold storage warehouses, and most of the common storage warehouses are now equipped to pack in containers other than barrels. Old trees and trees of unprofitable varieties are being removed. Much grafting into better varieties has been done, but there is still much to do. Each grower must now determine what he and his farm are best adapted to produce so that other products will be available to make up for the loss in fruit.

Last year's crop was a great disappointment. Starting with continuous wet weather in the spring and culminating in three severe frosts in October, while much of the abnormally small crop was still on the trees, the resultant returns to the growers were small. Thanks to the efforts of the Canadian government, this year a deal has been finalized whereby the British government will spend $1,500,000 for the purchase of Canadian apples. This is being matched by a like amount from the Canadian government. This is the type of assistance that many of the better growers have been hoping for, but unfortunately the prices being offered are too low to meet the high cost of production. Growers are naturally hopeful that they may be able to secure additional assistance to meet this year's expenses, and hope that such agreements may be finalized in the very near future.

To enlarge slightly on my statement—I shall try to be brief even at the risk of not making myself entirely clear—the sale price to Britain is based on 80 per cent of the price paid by the United Kingdom for Canadian apples in 1946. As there is a large crop of apples in the world today and we would all like to keep down the cost of living, this looked about right. Actually the price is not nearly enough to pay the cost of production. A large volume of apples not designated in the agreement with Britain, and which are not readily saleable on the domestic market, will also have to be taken into consideration. These will probably have to be sold to processors. The returns from these apples would vary from 60 cents for apples for vinegar to $2 per barrel for canning apples. With the exception of juice apples, warehouse expenses would be 25 to 50 cents per barrel, depending on the type of grading required for any particular processing job.

In 1948 the expenditure for spray material and fertilizer had increased two and one-half times over that of 1940. This year, there was again a marked increase in the cost of spray material and, to a lesser extent, in fertilizer. If the unit price of apples to Britain this year had been based on 100 per cent of our 1946 sales, we could probably have met the increased cost of production, but without any profit. This year's crop is not large, but it is much larger than last year's and the quality of the fruit is superior to any crop for the past several years. Having no wish to weary hon. members, I have not tried to be statistical, but merely to give a general outline in order that there might be a better appreciation of our problems.

Mr. Follwell: Mr. Chairman, from what the hon. member has just said, I understand a deal has been made between the government of Canada and the government of the United Kingdom for $3 million worth of apples. No doubt the minister negotiated this agreement. It is my understanding also that those apples are to be purchased in eastern Canada and western Canada. The minister knows that the constituency from which I come embraces the counties of Northumberland and Prince Edward, and is very good apple country. Would the minister be kind enough to explain to me, to my constituents and neighbours why the apples are not purchased in Ontario but from the other sections of the country? I am sure he has a good explanation. Would he care to answer that?

Mr. Gardiner: Mr. Chairman, the general position is that we have been trying to take care of the apple producers since 1939. I believe a fair job has been done and the producers will acknowledge that. In the first place, back in 1939, we started an attempt to arrange for the sale of the apple crop in Canada. In doing so, we found that the apple growers of Ontario and Quebec had exported very few apples. Most of their apples were sold in the central part of Canada.

In the first year, it was arranged that that market was not to be interfered with, except under permit. Then there was an attempt to deal with the surplus apples of Nova Scotia. Later on, the department was asked to deal with some of those of British Columbia as well, and we undertook to do that. As a result of entering into that arrangement at the beginning of the war, we have found it necessary to continue similar arrangements from that time until now. It was found as we went along that it was not necessary to have definite restrictions put upon the sale of apples out of the central provinces because all of the apples of the central provinces found a fairly ready market in the centres of those provinces; and it was found that in most years a considerable quantity of apples could be allowed to move from the maritime provinces to, say, Montreal and from British Columbia into cities right across eastern Canada. That was because of facts that I do not think it is necessary to discuss tonight any further than to recite them. But the general position was that each of the provinces of Ontario and Quebec was entitled pretty much to its own market as long as it could supply it, and when it could not supply it these apples came in from other parts of Canada. The prairie provinces were left entirely to British Columbia.

Nova Scotia, which produces most of the apples in the maritimes, found it extremely difficult to find a market anywhere except to the extent that they were allowed to get into the central part of Canada, or in case we could arrange a market for their apples in the United States or, as we did for a few years during the war, arrange a market for the greater part of their product in Great Britain. We were able to do that during most of the years of the war, but when we got down to the end of the war we found it even more difficult than during the war itself to obtain a market in Great Britain. On a previous occasion I recited the reasons for that fact, and it probably would only excite some political discussion if I were to recite them again tonight, so I shall save it for another occasion.

Nevertheless, we did get into the position last year where we took over 200,000 barrels of Nova Scotia apples. At one time we thought it might be a good thing to give the apples away. Some exception was taken to that course, so we put some of the apples in cans and dehydrated some of them. Finally we sold all of those apples that we could sell. Then when we found that we could not sell any more, we advertised right across Canada, in all the charitable organizations of the country and in hospitals, the fact that we had these apples and were prepared to provide them free of cost other than, I think, the freight to have them shipped to those institutions. We finally disposed of the apples in that way at a cost to the government. I just recite these facts in order to show that the central part of Canada has not been left entirely out of the picture. We have kept the surplus apples off the market until such time as they have had an opportunity to supply any market that there is. We have not even given apples away until it was found that the position had been fairly well taken care of in so far as the purchases of apples were concerned. We now come down to this year.

Britain did not want any apples. I was over there in January and told them about the hundreds of thousands of trees that had been pulled out because they could not buy the apples. I must say that that statement obtained more circulation in the press of Great Britain than anything else I had ever said in that country. They thought it was a rather difficult position to see Canadians in, after what they had done during the war, where they were compelled to pull out hundreds of thousands of trees simply because the British could not take the apples. The Minister of Trade and Commerce went over there a little later and was able to prevail upon them to put $1,500,000 into buying, as they thought in the beginning, Nova Scotia apples. I do not think they had in mind any other apples at the time they were talking first, largely because of the story that had been circulated with regard to pulling out trees and doing all these things to try to suit our position to the new developments. They agreed to that, conditional upon our putting $1,500,000 into the purchase of apples too.

The people of Nova Scotia are still asking us to do for their apple crop this year something similar to what we have done in other years. We suggested to them that we thought, before discussing that question, that they ought to take part of the offer the British had made. The British offered to take $1,500,000 worth of those apples at 80 per cent of the 1946 price. They said they thought the price had been too high last year, that it had been too high the year before, and that the price which was being asked this year was too high; but they said they were prepared to take $1,500,000 worth at 80 per cent of the 1946 price. As will be recalled, that was the year when Britain took a considerable part of the apple crop of the maritimes and of British Columbia.

We discussed the matter with the apple producers of Nova Scotia and suggested that we thought that it would not be a bad thing, from the point of view either of the present or of future possibilities of marketing apples

in Great Britain, if they would accept the offer at 80 per cent of the 1946 price. They went home with that intention. Now I understand that, when they examined into the varieties that they had, it is true to say that they have not been prepared up to now to undertake to supply this season the total quantity of apples that the British are prepared to take from them. They are reserving the right to decide later on a certain proportion of the amount that is required. British Columbia has agreed to take up its proportion of the apples, and to ship at the prices that have been indicated. I understand that in the area that is spoken of, down around Northumberland, they feel that they would like to fill part of this contract. I am given to understand that if they are prepared to take the price that is offered by the British for the apples, namely 80 per cent of the 1946 price, there probably will not be much difficulty in their selling part of those apples. Up to now it has not been indicated to us that Nova Scotia is prepared to provide them all. I think there must be some limitation upon the time during which they will be required to provide them; and if they are not prepared to provide the remainder of the quantity at the price which is indicated, and if there are others elsewhere in Canada who are prepared to put the apples up at those prices, I think the government would be in duty bound to accept their offer to do so and to see to it that the apples are sent forward. That is the present position in relation to the matter.

I wish to say without any hesitation that we are desirous of getting out of the apple business just as fast as we can. We have said to the people of Nova Scotia: If you can sell your apples at a price which is sufficiently good to make it unnecessary for you to accept this British offer, then we are not so sure that you are having any great difficulty in marketing your apples. When I look at the figures which indicate that we are eating in Canada now more apples than we marketed altogether inside and outside of Canada in the last year before the war, I am beginning to think that there may be something in their contention that they can sell their apples to better advantage in Canada than they can by sending them to Britain under the offer that Britain has made. And I would be a little afraid that, if that is true of Nova Scotia, it will be true of Ontario as well, and perhaps more so, and we may find it a little difficult to get apples at those prices.

Mr. Herridge: The minister has clearly explained the situation with regard to apples being purchased by Britain and the apples being paid for by the Canadian government and going to England. He will remember that for some years the British government refused to accept gift apples unless consigned direct to the ministry of food. A few days ago I saw some report in the press of a change in that situation whereby they would accept from the producer organization or grower organization apples consigned direct to the consumer in Great Britain. Can the minister explain to the house what the situation is at the present time?

Mr. Gardiner: This latter matter of boxes going from others to the government is just individual to individual. If any hon. member desires to send a box of apples over to a friend in Britain he would be permitted to do so, but that is not a matter—

Mr. Herridge: The British have agreed to that.

Mr. Gardiner: Yes; but it is not a matter of providing apples to the trade direct if they are a gift, and the $1,500,000 worth of Canadian apples to all intents and purposes is a gift.

Mr. Fulton: Did I understand the minister to say that the Canadian government has in fact provided $1,500,000 and the British government $1,500,000, making $3 million in all?

Mr. Gardiner: Yes, but the British government have agreed to take their $1,500,000 first, and as they are being delivered they are paying for them. From there on the Canadian government will be paying for whatever apples are purchased, and they have agreed to purchase all the $1,500,000, provided the apples are offered at the price.

Mr. Quelch: Is the price paid by the Canadian government based upon the 1946 price?

Mr. Gardiner: Yes, the same price.

Mr. Cruickshank: From all parts of Canada?

Mr. Gardiner: The present arrangement is from the maritimes and Nova Scotia largely and from British Columbia. Definite amounts are set, but, as I indicated a few moments ago, the Nova Scotians are not sure that they want to provide all the quantity that has been allotted to them, in which case we have said to other parts of Canada: if you want to supply them at the price, that will be possible.

Mr. Graydon: I should like to touch on another aspect of the fruit and vegetable matter. It has nothing to do with the point which has just been discussed. As the minister well knows, the lifting of the import restrictions on many classifications of fresh fruits and vegetables coming into Canada, which was announced by the Minister of Finance not so very long ago, has a direct bearing and may have a material effect upon the future of some of our growers. I mention

that only for this particular reason, namely, to emphasize a point which is very often brought to my attention by the growers in my section of the country. I refer specifically to what is commonly known as the dumping duties on the tail end of the United States surplus produce coming into this country and competing with the initial period of the market for many of our crops. In view of the fact that this is one of the delicate subjects that growers from time to time find on their doorsteps, perhaps the government might give consideration to it. I know that the minister himself does not actually set the time limit and the timing of the application of the dumping duties on the imports of United States fruits and vegetables, but his department does have an important part to play, together with the recommendation of the growers and others, in the timing. I should like to emphasize this one fact, because since the import restrictions have been lifted the necessity becomes greater than ever before to protect the growers when the first part of their crop is about to be marketed, particularly in the spring or in other times of the year. As the minister knows, from time to time there has been a disposition to allow the United States stuff to spill over onto the market which our growers feel should be theirs at the beginning of their season. The minister and the committee will readily agree that many of our growers of fresh fruits and vegetables find that the early part of their market is their best market, and for that reason it is that much more essential that that period should be protected. The complaint, which no doubt the minister and many of us who come from fruit and vegetable areas receive, is that when the time is set for the dumping duties to operate an immense amount of rolling stock is on its way here and in the first period of the marketing season of our own fresh fruits and vegetables the United States stuff, which is surplus very largely, is dumped upon our markets to the detriment of our own producers. There has been a disposition to work out a reasonable solution of the problem. When they are not in a position to serve the domestic market in Canada with many of these delicious fresh foods our growers may not have objected quite so strenuously to the market being taken care of in other ways, but they do seriously object when they themselves are able to fill the market, and particularly in the first part of their producing season. At that time they do seriously object to the United States surplus being dumped on the market, thereby spoiling what would otherwise be a very good market for many of the growers. What my argument is attempting to buttress is this. In some instances there ought to be a little earlier application of the dumping duties on some of the fresh fruits and vegetables. I make these remarks in a general way because I do not want to take up the time of the committee except to urge the government to review the situation very carefully. In view of the import restrictions having been lifted, my argument becomes more forceful in regard to the point I am trying to make, and that is, an earlier application of the dumping duties to enable our growers to get the best advantage of the early part of the market for their produce.

Mr. Gardiner: I should like to say one word. The term "dumping duties", as the hon. member for Peel will understand, is not usually applied to this particular operation. There is a dumping duty provided for in the act which operates automatically with regard to different products. We have usually called these seasonal duties. They are put on for the purpose of regulating the coming onto this market of fruits and vegetables largely from the United States at a time just prior to the coming onto the market of Canadian products, at a time, as has been suggested, when the fruits and vegetables coming from farther south are at the tail end of their season.

There is no act that is administered by the different departments that is more carefully administered than this particular one. The initial action is taken by the horticultural association in indicating when they desire to have certain things done. That is then checked by the department concerned; and, as has been said, the Department of Agriculture has a great deal to do with setting dates when the act comes into operation in connection with certain vegetables or fruits. That is all done most carefully. The hon. member said he did not think that the minister had much to do with it. As a matter of fact the minister had nearly everything to do with it up to a certain point, and the minister finally said that he did not think he had the time to examine into all of these matters in the manner in which they should be examined into, and insisted upon some others doing that particular job. I must admit now that I do not do as much of the work in connection with it as was done by the minister at one time, but I do not think it means that it is done any less efficiently than it was done before. I had an idea that it would be done more efficiently if it were done in the manner in which it is done now. I have had little, if any, complaint about it during the time it was in operation. It is true that while the special provision that shut out certain American fruits and vegetables altogether was on it was not necessary for the act to operate. Now that that has been

done away with, the other act does operate. The greatest of care will be taken in deciding upon the dates.

Mr. Knight: Perhaps honey would fall under this item. It would be interesting to the committee and the country if the minister would tell us the situation with respect to honey this year, in somewhat the same manner that he told us about the government's operations in apples. My recollection is that last year there was a surplus to the extent of several million pounds of honey. The matter was so serious that the government was forced to place a floor price under it. As I recall—and the minister will correct me if I am wrong—I believe that price was thirteen cents a pound.

Would the minister give some information in regard to that operation? For example, what loss to the government was involved, if any; and what is the situation this year in connection with a possible surplus on the market?

Mr. Gardiner: Last year it was represented to us that there was a surplus of 5 million pounds of honey on the Canadian market. Statistics presented to us by the honey producers led us to believe that that was correct. The question was discussed in the house last session and was also discussed with the government. Finally the government decided, and the announcement was made to the house, that we were prepared to provide funds sufficient to purchase 5 million pounds of honey in surplus supply, and to take it off the Canadian market for the time being with a view to finding a market elsewhere for it.

The fact is that we were never able to find more than 3 million pounds. We did buy that amount at prices ranging from 10 to 13 cents a pound. As this honey is pasteurized it will keep. We know that this year the producers have a short crop, and it will require the whole 3 million pounds—and probably we could use a little more—to supply the market with honey this year. So that there is no problem in connection with that. It is simply a matter of our having taken off last year's market 3 million pounds of honey, carrying it over to this year. Now we are able to put it back on the market to increase the short supply produced this year.

Mr. Graydon: Had the drought something to do with that?

Mr. Gardiner: Yes, it had a great deal to do with it.

Mr. Cruickshank: Is it correct that last year the growers of raspberries and strawberries were threatened with penalties by the states of Oregon and Washington in which state legislation was proposed whereby we would not be able to ship our produce to those states; and is it a fact that we took steps pointing out to them that we purchased from those states and that in turn we should be allowed to make deliveries to them?

Mr. Gardiner: My information is that the legislation passed last year by the state of Washington along the lines suggested by the hon. member was later rescinded.

Mr. Cruickshank: That is right.

Mr. Gardiner: That was due to the fact that, after representations from British Columbia, the government here in Ottawa made representations to the Capitol at Washington, and they in turn made representations to the state of Washington as a result of which the legislation was rescinded. I am not aware of any legislation put forward this year.

Mr. Cruickshank: No, I do not think there is any.

Mr. Gardiner: If there were any further difficulties, they would meet with similar treatment.

Item agreed to.

28. Marketing service—livestock and livestock products, $1,113,750.

Mr. McLure: I notice there is an increase in the vote for the administration of this item. What new arrangements have been made with reference to the marketing of raw furs this year? Are we going to adopt a system similar to what we had last year, one which was not too successful so far as the producer is concerned?

This industry was cruelly treated by the late government in matters of taxation, and it took out of the industry, through taxes large sums of money—so much indeed that it drove the industry almost into bankruptcy.

Mr. Cruickshank: What do you mean by "the late government"?

Mr. McLure: Just you keep quiet. Now that times have changed a little, I suggest the government should adopt a different system of grading. Does it intend to drive the industry off the face of the earth altogether? Four years ago this country was producing 285,000 silver fox skins; today production will be down below 45,000. There should be an advantage in the market, when there is no surplus.

Mr. Cruickshank: We got 182 skins this year.

Mr. McLure: If there is going to be a surplus, we want to know how these skins are

going to be marketed. I see a provision here for two graders, one of whom receives $4,000 or $5,000 and the other $3,000 or $4,000. That is all right, but the government is making the grade so exclusive and so high that no producer today, unless he is producing the very top from all his animals, can get anywhere near the cost of feed and wages from the sale of the furs.

It is time we had some consideration, because it is only a few years ago the government was warned that because of the unjust taxation they were placing upon raw furs they were driving the industry out of production altogether. They had a process tax on the raw article, and then on top of that a sales tax. These were the most unjust forms of taxation ever perpetrated upon any product of the farm.

There is now an opportunity for the government to look into the marketing of furs. If the government is going to give assistance to the fur producers by way of subsidy, let it subsidize sales so that the producers will receive at least the cost of production. That can be done by putting in a grading system whereby they will not grade against the price of the article, but rather grade the article as it is needed on the market.

I say the minister should give these people an opportunity to come back and receive some of the money taken from them by taxation, so they may be established once again and kept in business. I would ask that the minister give this matter some consideration.

Item agreed to.

29. Marketing service—marketing of agricultural products, including temporary appointments that may be required to be made notwithstanding anything contained in the Civil Service Act, the amount available for such appointments not to exceed $6,000, $75,000.

Mr. Catherwood: Perhaps the minister would answer a question at this time about the marketing of poultry products. In December of this year the Anglo-Canadian contract for poultry products expires. By the end of this year we will have produced and shipped to England some 46 million dozen eggs, dried, shell and frozen. It looks as though the production will be increased in 1950 and we will need a market for something like 400 million dozen eggs in all forms. A total of 350 million dozen eggs will be produced this year of which, as I said before, 46 million dozen will be shipped to the mother country.

I know the minister is concerned about the marketing of our egg products and I wonder if he could give us some assurance that this market will be maintained next year?

Mr. Gardiner: Mr. Chairman, as has been stated during the war, we did develop a market in Great Britain for our eggs. In the year before the war we marketed one million dozen eggs in Britain. But at the peak during the war or at the end of the war we marketed 83 million dozen. Part of those were marketed as shell or fresh eggs, part as storage eggs and part as dried or frozen eggs.

About 24 months ago we were just at the peak of supplying the British market. It is true that the year before last the British came over and suggested that they would have difficulty in taking all our eggs, but they finally entered into a contract to take them last year. Then last year they came over and suggested that they could get along without our eggs. It was not a case of their not wanting them, it was not a case of there not being a market there, it was a case of their trying to determine where they might spend the limited amount of dollars that they had.

They said that they could get eggs from other places, or at least supplies which would permit them to get along without ours. At that time we indicated to them that we would have some difficulty in meeting their wishes in that regard. In that regard I must emphasize to the committee that our position in relation to the British has not been quite what it has been pictured throughout the country.

The British have come to us with a problem. They have said that they found it difficult to get enough dollars with which to buy in Canada all the things they would like to buy. We have told them that we could scarcely be expected to ask our people to take lower returns and could scarcely be expected to feed a nation of much greater numbers of people than we have unless we could receive some return.

We told them that we were prepared to try to find a market for what they were not able to take and pay for. As has been indicated in this discussion, in some cases where we have failed to find a market for a product, such as apples, we have provided some of the product to them at our own cost. But we have avoided that as much as we could recently. In connection with eggs, we told them that we thought we could find a market for all of our shell eggs in Canada or the United States, that we could induce our people to eat a few more and be careful when marketing in the United States to do so without causing any difficulty.

If we just said to our producers that they could ship all the eggs they wished to the United States probably most of those eggs would find their way to border cities like Detroit, Buffalo and a few other places. Then there would be trouble with the producers in the vicinity of those particular cities. Instead of doing that, our people went down to cities like St. Louis and other points in the centre

of the United States away from the boundary and made arrangements for our fresh eggs to be delivered to those interior points.

We had expected to sell far more eggs in the United States on that basis than we did. We could have sold far more eggs but the eggs were not available to be sold. In other words, that quantity of eggs, which the British were not required to take and which we thought we could sell on this and the United States market, we did not have to supply to any market.

I am not blaming anybody for that. I think our producers, whether of eggs or of any other product, look at the whole position and try to meet the situation as they find it to their best advantage. I presume that they handled their position in a manner which was satisfactory.

When it came to dried eggs we insisted on the British taking the 46 million dozen which we estimated at that time could be produced in that form. The British agreed to take them but it would appear at the moment that we probably will not supply more than 34 million dozen.

I merely cite this in order to say to people who are always talking about our having lost markets, about our not being able to find markets for our products, that one of our difficulties has been that we have not been able to find the product to put on the market. There is a good reason for that. Something was said about grading furs. This does not apply in just the same way to furs as it does to eggs. You can soon get eggs into a position where nobody wants to eat them, and it is not so many years ago that that was the position in this country. But we undertook to grade all eggs that were going on the market and in a few years we doubled the consumption in Canada per head of population. We have gone on to increase that from time to time by getting out a product that everyone is desirous of eating.

To answer the last part of the hon. member's question, may I say that we are attempting to make a contract with the British. We hope to make one that will take care of any surplus we may have. We are hopeful that when these contracts are made our people will put forth an effort to see that the product is produced to supply the market. I do not think anyone up to now is contending that the price range on all these products in the last few years has not been fairly good. If it has been fairly good, and if we want to market more products in the markets that are available, then I think we ought to produce them and put them on the market.

Mr. Catherwood: I know the minister feels sure that our farmers would like to be assured that there will be a market for 1950. Does the minister feel in his own mind that there will be a substantial market in 1950 for poultry products?

Mr. Gardiner: Nothing has happened which would indicate that it will be in any respect different from what it has been in the past year, and we did find markets for more than they were able to produce.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. St. Laurent: Tomorrow is private members' day and the rules provide that notices of motions will have priority over other matters.

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

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

Marketing service—

23. Marketing service administration, $150,090.

24. Agricultural economics, $390,120.

25. Dairy products, $594,077.

26. Subsidies for cold storage warehouses under the Cold Storage Act, and grants, in the amounts detailed in the estimates, $1,201,923.

27. Fruit, vegetables and maple products, and honey, including grant of $5,000 to Canadian horticultural council, $928,660.

28. Live stock and live stock products, $1,113,750.

HOUSE OF COMMONS

Wednesday, October 12, 1949

The house met at three o'clock.

STANDING COMMITTEES

Hon. Alphonse Fournier (Minister of Public Works) presented the report of the special committee appointed to prepare and report lists of members to compose the standing committees of the house, as follows:

PRIVILEGES AND ELECTIONS

Messrs:

Benidickson
Boisvert
Brooks
Campney
Cardiff
Carter
Coldwell
Cote (St. Johns-Iberville-Napierville)
Cote (Matapedia-Matane)
Courtemanche
Dickey
Dechene
Diefenbaker
Fair
Fulford
Gingues
Gour (Russell)
Harris (Grey-Bruce)
Hartt
Knowles
Leger
MacKenzie
Mutch
Parent
Pouliot
Richard (Ottawa East)
Riley
Stewart (Yorkton)
Tustin—29.

(Quorum—10)

RAILWAYS, CANALS AND TELEGRAPH LINES

Messrs:

Adamson
Beaudry
Bennett
Bertrand
Beyerstein
Black (Cumberland)
Bonnier
Bourget
Breithaupt
Cannon
Carroll
Carter
Chevrier
Clark
Darroch
Dewar
Douglas
Eudes
Ferguson
Garland
Gauthier (Portneuf)
Gibson (Comox-Alberni)
Gillis
Goode
Gourd (Chapleau)
Green
Harrison
Hartt
Hatfield
Healy
Herridge
Hodgson
James
Jutras
Lafontaine
Lennard
Macdonald (Edmonton East)
Maybank
McCulloch
McGregor
McIvor
McLure
Murphy
Murray (Cariboo)
Nixon
Noseworthy
Pouliot
Richard (St, Maurice-Lafleche)
Riley
Robinson
Rooney
Ross (Hamilton East)
Shaw
Stuart (Charlotte)
Thatcher
Thomas
Thomson
Weaver
Whiteside
Whitman—60.

(Quorum—12)

MISCELLANEOUS PRIVATE BILLS

Messrs:

Argue
Balcer
Bater
Bonnier
Brooks
Cameron
Campney
Casselman
Cauchon
Cleaver
Cote (Verdun-La Salle)
Cournoyer
Croll
Decore
Demers
Eyre
Ferguson
Fournier (Maisonneuve-Rosemont)
Gauthier (Lapointe)
George
Hansell
Hosking
Hunter
Jeffery
Johnston
Kent
Kirk (Digby-Yarmouth)
Knight
Langlois (Berthier-Maskinonge)
Lennard
Little
MacDougall
MacLean (Cape Breton North and Victoria)
McLean (Huron-Perth)
Murphy
Noseworthy
Parent
Richard (Gloucester)
Roberge
Robertson
Sinnott
Stanfield
Stewart (Yorkton)
Tustin
Valois
Warren
White (Middlesex East)
Whitman
Winkler
Wylie—50

(Quorum—15)

BANKING AND COMMERCE

Messrs:

Adamson
Argue
Arsenault
Ashbourne
Beaudry
Belzile
Benidickson
Bennett
Blackmore
Bradette
Breithaupt
Brooks
Cannon
Cleaver
Cote (St. Johns-Iberville-Napierville)
Dumas
Fleming
Fournier (Maisonneuve-Rosemont)
Fraser
Fulford
Fulton
Gibson (Comox-Alberni)
Gour (Russell)
Harkness
Harris (Danforth)
Hunter
Isnor
Laing
Leger
Lesage
Low
Maltais
Macnaughton
Maybank
McCusker
McLean (Huron-Perth)
Picard
Prudham
Quelch
Richard (Gloucester)
Richard (Ottawa East)
Rowe
Sinclair
Smith (York North)
Smith (Moose Mountain)
Stewart (Winnipeg North)
Thatcher
Weaver
White (Hastings-Peterborough)
Winters—50

(Quorum—15)

Standing Committees

PUBLIC ACCOUNTS

Messrs:

Anderson
Ashbourne
Balcer
Beaudry
Benidickson
Blue
Boisvert
Boivin
Brisson
Browne (St. John's West)
Cauchon
Cavers
Cleaver
Cloutier
Croll
Cruickshank
Denis
Diefenbaker
Fleming
Fournier (Maisonneuve-Rosemont)
Fulford
Fulton
Fraser
Gauthier (Portneuf)
Hansell
Helme
Homuth
Isnor
Johnston
Kirk (Antigonish-Guysborough)
Langlois (Gaspe)
Larson
Major
Maybank
Murphy
Picard
Pinard
Prudham
Richard (Gloucester)
Richard (Ottawa East)
Riley
Robinson
Sinclair
Stewart (Winnipeg North)
Thatcher
Thomas
Warren
White (Hastings-Peterborough)
Winkler
Wright—50

(Quorum—15)

AGRICULTURE AND COLONIZATION

Messrs:

Anderson
Arsenault
Aylesworth
Bater
Bennett
Black (Chateauguay-Huntingdon-Laprairie
Blue
Browne (St. John's West)
Bryce
Catherwood
Cavers
Charlton
Clark
Cloutier
Corry
Cote (Matapedia-Matane)
Courtemanche
Coyle
Cruickshank
Darroch
Decore
Demers
Diefenbaker
Dumas
Elderkin
Fair
Fontaine
Gauthier (Lapointe)
George
Gosselin
Gour (Russell)
Harkness
Hatfield
Herridge
Hetland
Jones
Jutras
Kent
Kickham
Kirk (Antigonish-Guysborough)
Laing
Lapalme
Leger
Lesage
MacKenzie
McCubbin
McLean (Huron-Perth)
Murray (Oxford)
Murray (Cariboo)
Quelch
Richard (St. Maurice-Lafleche)
Roberge
Ross (Souris)
Sinnott
Studer
Thomson
Whitman
Wood
Wright
Wylie—60.

(Quorum—20)

STANDING ORDERS

Messrs:

Boisvert
Boucher
Church
Denis
Green
Henry
Homuth
Huffman
Knowles
Langlois (Gaspe)
Lapalme
MacDougall
MacLean (Cape Breton North and Victoria)
Pinard
Quelch
Robinson
Ross (Souris)
Smith (York North)
Stuart (Charlotte)
Viau—20.

(Quorum—8)

MARINE AND FISHERIES

Messrs:

Applewhaite
Arsenault
Ashbourne
Bennett
Black (Cumberland)
Blair
Bryce
Cannon
Catherwood
Conacher
Cote (Matapedia-Matane)
Cournoyer
Cruickshank
Fulford
Gibson (Comox-Alberni)
Gillis
Harrison
Helme
Henderson
Higgins
James
Kirk (Antigonish-Guysborough)
Langlois (Gaspe)
Leger
Macdonald (Edmonton East)
MacInnis
MacNaught
Maltais
McLean (Huron-Perth)
McLure
Pearkes
Smith (Queens-Shelburne)
Stick
Stuart (Charlotte)
Thomas—35.

(Quorum—10)

MINES, FORESTS AND WATERS

Messrs:

Adamson
Benidickson
Black (Cumberland)
Boivin
Brisson
Campney
Dumas
Elderkin
Eyre
Ferrie
Gauthier (Lapointe)
Gauthier (Sudbury)
Gourd (Chapleau)
Harkness
Herridge
Higgins
Hosking
Hunter
Jones
LaCroix
Lafontaine
Larson
Little
McIvor
McWilliam
Pearkes
Proudfoot
Rowe
Simmons
Sinnott
Stick
Thomas
Weaver
Welbourn
Wylie—35

(Quorum—10)

INDUSTRIAL RELATIONS

Messrs:

Balcer
Beaudoin
Black (Cumberland)
Boucher
Bourget
Brown (Essex West)
Byrne
Carroll
Cloutier
Cote (Verdun-La Salle)
Croll
Gauthier (Lake St. John)
Gauthier (Sudbury)
Gillis
Gingras
Goode
Higgins
Homuth
Johnston
Kent
Knowles
Lapalme
Macdonald (Edmonton East)
MacInnis
Maybank
McWilliam
Mitchell
Murphy
Nixon
Pouliot
Ross (Hamilton East)
Smith (Calgary West)
Stewart (Yorkton)
Thomson
Weaver—35

(Quorum—10)

DEBATES

Messrs:

Boucher
Casselman
Fauteux
Henry
Knowles
Major
Murray (Oxford)
Pouliot
Simmons
Smith (Calgary West)
Valois
Viau—12

(Quorum—7)

EXTERNAL AFFAIRS

Messrs:

Balcer
Bater
Beaudoin
Benidickson
Bradette
Breithaupt
Campney
Coldwell
Cote (Matapedia-Matane)
Croll
Decore
Dickey
Diefenbaker
Fleming
Fournier (Maisonneuve-Rosemont)
Fraser
Gauthier (Lake St. John)
Gauthier (Portneuf)
Graydon
Green
Hansell
Harris (Grey-Bruce)
Laing
Leger
Low
MacInnis
Macnaughton
McCusker
Mutch
Picard
Pinard
Richard (Ottawa East)
Robinson
Stick
Winkler—35.

(Quorum—10)

PRINTING

(Members to act on the part of the Commons)

Messrs:

Argue
Ashbourne
Bertrand
Beyerstein
Black (Chateauguay-Huntingdon-Laprairie)
Blackmore
Boivin
Bonnier
Browne (St. John's West)
Bryce
Cameron
Cardiff
Cauchon
Cavers
Charlton
Cruickshank
Darroch
Decore
Douglas
Fauteux
Ferguson
Ferrie
Follwell
Fontaine
Gagnon
Gingras
Gosselin
Gour (Russell)
Harkness
Healy
Hetland
Hodgson
Hunter
Knowles
Lapalme
MacLean (Cape Breton North and Victoria)
Maltais
McDonald (Parry Sound-Muskoka)
McGregor
McIvor
McLean (Huron-Perth)
McWilliam
Murray (Cariboo)
Murray (Oxford)
Robertson
Shaw
Sinnott
Smith (Queens-Shelburne)
Stanfield
Studer
Tustin
Weaver
Whitman
Wright—54.

(Quorum—)

LIBRARY

(Members to act on the part of the Commons)

Mr. Speaker and Messrs:

Applewhaite
Beyerstein
Blackmore
Brown (Essex West)
Carter
Casselman
Church
Cleaver
Conacher
Coyle
Dechene
Demers
Eudes
Fauteux
Gingues
Gourd (Chapleau)
Hansell
Hellyer
Henderson
Higgins
Homuth
Hunter
Jones
Kirk (Digby-Yarmouth)
Knight
LaCroix
Laing
Leger
MacNaught
McIlraith
Pearkes
Proudfoot
Ratelle
Rochefort
Ross (Hamilton East)
Smith (York North)
Smith (Moose Mountain)
Tustin
Valois
White (Middlesex East)
Whiteside
Winkler
Winters
Wood—44

(Quorum—)

RESTAURANT

(Members to act on the part of the Commons)

Mr. Speaker and Messrs:

Breithaupt
Casselman
Cournoyer
Dewar
Ferguson
Gauthier (Sudbury)
Gour (Russell)
Hansell
Harkness
Jutras
Lafontaine
Langlois (Berthier-Maskinonge)
Leger
Lesage
Little
McCulloch
McGregor
Ratelle
Richard (Ottawa East)
Rochefort
Simmons
Stewart (Winnipeg North)
Stick
White (Hastings-Peterborough)—24

(Quorum—)

Mr. Fournier (Hull) moved that the report be concurred in.

Motion agreed to.

POWERS OF COMMITTEES

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That the standing committees of this house shall severally be empowered to examine and inquire into all such matters and things as may be referred to them by the house, and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

Motion agreed to.

PRINTING OF PARLIAMENT

Hon. Alphonse Fournier (Minister of Public Works) moved:

That a message be sent to the Senate to acquaint Their Honours that this house will unite with them in the formation of a joint committee of both houses on the subject of the printing of parliament, and that the following members, namely: Messrs. Argue, Ashbourne, Bertrand, Beyerstein, Black (Chateauguay-Huntingdon-Laprairie), Blackmore, Boivin, Bonnier, Browne (St. John's West), Bryce, Cameron, Cardiff, Cauchon, Cavers, Charlton, Cruickshank, Darroch, Decore, Douglas, Fauteux, Ferguson, Ferrie, Follwell, Fontaine, Gagnon, Gingras, Gosselin, Gour (Russell), Harkness, Healy, Hetland, Hodgson, Hunter, Knowles, Lapalme, MacLean (Cape Breton

North and Victoria), Maltais, McDonald (Parry Sound-Muskoka), McGregor, McIvor, McLean (Huron-Perth), McWilliam, Murray (Cariboo), Murray (Oxford), Robertson, Shaw, Sinnott, Smith (Queens-Shelburne), Stanfield, Studer, Tustin, Weaver, Whitman, Wright, will act as members on the part of this house on the said joint committee on the printing of parliament.

Motion agreed to.

LIBRARY OF PARLIAMENT

Hon. Alphonse Fournier (Minister of Public Works) moved:

That a message be sent to the Senate informing Their Honours that this house has appointed Mr. Speaker and Messrs. Applewhaite, Beyerstein, Blackmore, Brown (Essex West), Carter, Casselman, Church, Cleaver, Conacher, Coyle, Dechene, Demers, Eudes, Fauteux, Gingues, Gourd (Chapleau), Hansell, Hellyer, Henderson, Higgins, Homuth, Hunter, Jones, Kirk, (Digby-Yarmouth), Knight, LaCroix, Laing, Leger, MacNaught, McIlraith, Pearkes, Proudfoot, Ratelle, Rochefort, Ross (Hamilton East), Smith (York North), Smith (Moose Mountain), Tustin, Valois, White (Middlesex East), Whiteside, Winkler, Winters, Wood, a committee to assist His Honour the Speaker in the direction of the library of parliament so far as the interests of the House of Commons are concerned and to act on behalf of the House of Commons as members of a joint committee of both houses on the library.

Motion agreed to.

PARLIAMENTARY RESTAURANT

Hon. Alphonse Fournier (Minister of Public Works) moved:

That Mr. Speaker and Messrs. Breithaupt, Casselman, Cournoyer, Dewar, Ferguson, Gauthier (Sudbury), Gour (Russell), Hansell, Harkness, Jutras, Lafontaine, Langlois (Berthier-Maskinonge), Leger, Lesage, Little, McCulloch, McGregor, Ratelle, Richard (Ottawa East), Rochefort, Simmons, Stewart (Winnipeg North), Stick, White (Hastings-Peterborough), be appointed to assist Mr. Speaker in the direction of the restaurant so 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.

THE BUDGET

ANNOUNCEMENT OF DATE OF PRESENTATION

Hon. Douglas Abbott (Minister of Finance): I wish to announce, Mr. Speaker, that, barring unforeseen contingencies, I intend to reintroduce the budget a week from tomorrow night, October 20, at eight o'clock.

Mr. Graydon: That means the same budget?

Mr. Fraser: No changes?

Mr. Abbott: It is a good budget.

[Mr. Fournier (Hull).]

HOUSE OF COMMONS

REFERENCE TO REMARKS OF MR. CHURCH IN DEBATE ON OCTOBER 11—STATEMENT OF MR. SPEAKER

Mr. Speaker: Last night when I was not in the chair the hon. member for Broadview (Mr. Church) stated that when the Speaker was in the chair he had handed him a motion with regard to the Supreme Court Act. Doubtless he meant by the word "handed" that he had sent the text of a motion to me. I would assure him that the document never reached me, nor was it placed by anyone at my chair. I have caused a thorough search to be made through all the papers and documents which came to my chair yesterday, and it is not among them. What happened to it after it left the hon. member for Broadview I do not know.

I should further like to point out that I have carefully read the speech that the hon. member for Broadview made yesterday on the third reading of the Supreme Court Act, and there is no reference by him in that speech to his motion. In fact, he stated in part as follow:

I want to make only a few remarks on the motion for third reading. I do not wish to object to it any further.

Standing order 45 provides that all motions, before being put from the chair, must be moved by an hon. member and seconded by another hon. member. According to the official report of the House of Commons debates of yesterday, the motion to which the hon. member for Broadview referred last night was never moved by him, nor was it seconded by another hon. member. Accordingly it could not in any event have been put from the chair, and I am satisfied that no injustice has been done to the hon. member for Broadview. However, my main purpose in rising at this time is to assure the hon. member for Broadview that the motion which he mentioned last night was never received by the Speaker.

Mr. T. L. Church (Broadview): On a matter of personal privilege, by leave of the house, may I just say this. I did hand in, when the Speaker left the chair, a motion for the six months hoist. It will be noticed that in committee the Chairman told me that I could not move it, that I would have to have his consent to bring it forward or have it voted upon as an amendment. A mistake was no doubt made. I may say that you, sir, have always acted fairly in these matters. I did suggest at the time that I might have leave to recommit the bill to committee for the

purpose I mentioned, and I notified the chairman of the committee of the whole of that fact. He sent me down a note that I could bring it up in that way but I would have to have a vote on the clause in committee. There is no doubt that what you have said, Mr. Speaker, is quite correct. But I did hand in a motion for the six months hoist.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PRAIRIE FARM REHABILITATION—EMPLOYEES

Mr. Shaw:

1. What is the total number of employees engaged by the government of Canada under P.F.R.A. in (a) Alberta; (b) Saskatchewan?
2. How many employees are there at each of the dominion experimental farms in Alberta?
3. Exclusive of those employed in connection with the P.F.R.A. and the dominion experimental farms, how many dominion government employees in Alberta are engaged in connection with agricultural activities?
4. Of those referred to in questions 1, 2 and 3, how many were appointed to their present positions since January 1, 1949?

Mr. McCubbin:

1. Alberta field offices, 240; Saskatchewan field offices, 620; Regina head office, 80.

2. Lethbridge experimental farms service, 91; science service, 61.

Scandia, 2; Lacombe, 44; Manyberries, 12; Beaverlodge, 21; Fort Vermilion, 9.

3. 257.

4. (1) Alberta, 23; Saskatchewan, 78.

(2) 27.

(3) 25.

Note: With reference to 4 (1) above, this group is composed of engineers, economists and technicians taken on for surveys and investigations in connection with major irrigation projects.

ALLOCATIONS FOR RECONSTRUCTION PROJECTS

Mr. Green:

What allocations, if any, has the treasury board made for reconstruction projects under vote 384 of the estimates for the fiscal year ending March 31, 1950?

Mr. Winters: Funds from reconstruction vote 384 have been invoked for the furtherance of the following projects:

(1) An amount of $40,000 to provide for the preparation by the Department of Transport of design plans and specifications for the construction of an icebreaker.

(2) An amount of $150,000 to the Department of Public Works toward water control improvements on the French river, Ontario.

(3) An amount of $4,200 to provide for the preparation of design plans and specifications for the construction of a virus laboratory by the Department of Health and Welfare.

(4) An amount of $70,000 to the Department of Mines and Resources toward the construction of a road for access to the Portland canal mining division, British Columbia.

MILITARY OBSERVERS IN PAKISTAN

Mr. Pearkes:

1. Has a new group of officers been selected to proceed to Pakistan as military observers?
2. If so, who are the officers selected for this duty?
3. Do they belong to the active ar reserve army?
4. For what length of time will they be away from Canada?
5. Has the original mission to Pakistan been recalled?
6. What is the estimated cost of this mission?

Mr. Claxton:

1. Yes, to the United Nations commission for India and Pakistan.

2. Replacements for original appointees were:

Lt.-Col. A. G. Wygard, supplementary reserve; Major C. D. Ives, reserve force; Major W. T. Thompson, M.C., reserve force; Major Guy Vangeois, reserve force.

Additional appointees on request of United Nations through the Department of External Affairs:

Major F. E. Eaton, reserve; Major J. L. Malkin, supplementary reserve; Major R. S. C. Archbold, reserve; Major H. S. Moore, reserve.

3. Reserve forces.

4. One year, approximately.

5. No. Term of service of original appointees had expired and replacements made as indicated in reply to No. 2.

6. Estimated expense to government of Canada (pay and allowances only) to 31st August, 1950—$39,792. Expenses other than pay and allowances paid by United Nations commission.

OLD AGE PENSIONS

Mr. Catherwood:

1. How many Canadian citizens were in receipt of the old age pension as of December 31, 1948?
2. How many Canadian citizens were of pensionable age as of December 31, 1948?

Mr. Martin:

1. Number of persons receiving pensions under the provisions of the Old Age Pensions Act as at December 31, 1948—Old age, 248,289; blind, 9,425; total, 257,714.

2. Number of persons in Canada seventy years of age and over as estimated by the dominion bureau of statistics in 1948—582,411.

Questions

NEWFOUNDLAND HOTEL, ST. JOHN'S—QUESTION AS TO PURCHASE BY C.N.R.

Mr. Browne (St. John's West):

1. Has the Canadian National Railways purchased the Newfoundland hotel at St. John's?

2. If so, what was the purchase price for same?

Mr. Chevrier: The Canadian National Railways advise as follows:

1. No.

2. See answer to No. 1.

WAR RISK INSURANCE POLICIES

Mr. Hansell:

1. How many war risk insurance policies have been taken out for each of the years since war risk insurance was established?

2. What is the amount collected from premiums during each of these years?

3. How much was paid out by way of claims in each of these years?

4. How many outstanding claims are still unpaid and what is the total amount of these claims?

Mr. Sinclair:

1.

	Number of policies issued*
September 15, 1942—March 31, 1943	27,232
April 1, 1943—March 31, 1944	17,179
April 1, 1944—March 31, 1945	1,500
April 1, 1945—February 17, 1946	113

*Excludes Canadian government property, transit policies and the special scheme for the insurance of grain.

2.

	Net premium receipts from Other than Government of Canada	Government of Canada
September 15, 1942—March 31, 1943	$4,586,507.40	$ 809,132.18
April 1, 1943—March 31, 1944	3,106,475.61	2,088,979.78
April 1, 1944—March 31, 1945	110,314.34	329,669.16
April 1, 1945—February 17, 1946	13,220.50	
	$7,816,517.85	$3,227,781.12
Less rebate authorized by P.C. 11038 dated December 3, 1942	2,392,255.90	
	$5,424,261.95	$3,227,781.12

3. Claims charged to war risk insurance fund*

Fiscal year ended March 31	Free Compensation	Insured Property
1944	$ 825.21	—
1945	—	—
1946	1,070.02	$33,303.09

*Claims include interest and adjusters' fees.

4. None.

COMBINES—DENTAL FIRMS—COST OF PROSECUTION

Mr. Diefenbaker:

1. What is the total cost of the prosecution of the dental firms for alleged offences under the Combines Investigation Act?

2. How much was paid to each of the counsel?

Mr. Garson:

1. Prosecution under section 498 of the Criminal Code: trial, $19,839.16; appeal, $16,888.35.

2. D. L. McCarthy, K.C.: trial, $7,787.26; appeal, $4,262.00.

McMillan, Binch, Wilkinson, Berry and Wright: trial, $5,500.03; appeal, $5,163.27.

D. A. Keith: trial, $2,868.66; appeal, $1,283.86.

[Mr. Martin.]

FOREIGN EXCHANGE—UNITED STATES—AMOUNTS CONTRACTED FOR, 1948-49

Mr. Coldwell:

What amounts of American exchange were contracted for, each week, through the Canadian banks, acing on behalf of the foreign exchange control board, covering the period from August 1, 1948 to October 1, 1948 and August 1, 1949 to October 1, 1949, by (a) all importers; (b) all coal importers?

Mr. Sinclair: The records of the department are not kept in a way which would permit giving exactly the details asked for by this question. I have discussed the question with the hon. member and have given the information which is available. I think he has agreed to drop the question and perhaps to reframe it later.

Mr. Coldwell: That is right.

Mr. Speaker: Dropped.

NATIONAL HOUSING ACT—INSPECTION, APPRAISAL, ETC.

Mr. Johnston:

1. Under the N.H.A. integrated housing scheme is there a regulation covering a 25 per cent holdback of the proceeds of a joint loan to the builder building for sale?
2. If so, is this holdback held until the house has been sold to a satisfactory purchaser when the unit has been completed?
3. Under the N.H.A. integrated housing scheme is there an inspection and/or an appraisal fee of $20 permitted?
4. If so, what work is to be performed in order to earn this fee?
5. Must this $20 fee apply to each individual's property?
6. Must there be a properly written inspection and/or appraisal form made for each individual's property before this fee is chargeable?
7. To whom is the fee payable?

Mr. Winters:

1. No. However, under the 1949 integrated plan the builder is required to transfer title to Central Mortgage and Housing Corporation at the floor joist stage of construction and is required to trustee with the corporation the purchaser's deposit or down payment. When the property is completed and the builder has executed a transfer of title to the purchaser, the conveyance to the corporation is then cancelled and the purchaser's down payment is paid over to the builder. Prior to release of the trusteed deposit to the builder, steps are taken to ensure that he has paid all carrying charges on the property up to date of completion, including interest on advances made under the mortgage loan, taxes and fire insurance premium; otherwise the equivalent of such carrying charges are deducted from the trusteed deposit.

2. See answer to No. 1.

3. Yes.

4. When completing an application for a National Housing Act loan the applicant agrees to pay an appraisal fee of $20 for which the lending institution makes an inspection of the site and completes an appraisal of the proposed property. The lending institution inspects the property at various stages of construction to assure that standards under the National Housing Act and the plans and specifications are being substantially followed, and to determine the extent to which mortgage moneys may be advanced to the borrower.

5. The $20 fee applies to each individual property except in project development where, by regulation, order in council P.C. 3138, dated July 20, 1948, the following schedule of fees is established:

$20 for each housing unit up to and including 50 units.
$18 for each housing unit in excess of 50 up to and including 100 units.
$16 for each housing unit in excess of 100 up to and including 150 units.
$14 for each housing unit in excess of 150 up to and including 200 units.
$12 for each housing unit in excess of 200 units.

6. A written appraisal report is completed by the lending institution with respect to each property. In project development an appraisal report may be completed only for each house type.

7. The fee is payable to the lending institution by the borrower.

CANADIAN NATIONAL RAILWAYS—PENSIONS

Mr. Knowles:

1. What is the total number of persons employed by the Canadian National Railways?
2. Of these how many are eligible to contribute toward a supplemental pension in addition to the basic pension of $25 per month to which they will be entitled on retirement at age 65?
3. How many are now contributing toward such a supplemental pension?
4. How many Canadian National Railways employees, upon retirement, will qualify, according to their present status for noncontributory service pensions?
5. How many employees now working for the Canadian National Railways will be entitled on retirement, according to their present status, to only the basic pension of $25 per month?
6. Is the basic pension of $25 per month available to all employees and, if so, on what conditions?

Mr. Chevrier: The Canadian National Railways advise as follows:

1. On Canadian lines at December 31, 1948, 102,163.

2. All except temporary employees and those who commenced after age 55 and those who are now contributing to other railway pension funds, viz.: 5,462 contributors to Intercolonial provident fund and 23 contributors to Grand Trunk Railway superannuation fund.

3. Contributors to C.N.R. pension plan, 35,267. Contributors to I.C.R. and P.E.I. provident fund, 5,462. Contributors to G.T.R. superannuation and provident fund association, 23.

4. Service pensions are payable to employees who entered the service before attaining age 50 who at December 31, 1934, had at least ten years' allowable service and at age 65 have at least fifteen years' allowable service. It is not possible to say how many employees will meet these requirements.

5. There is no record of the number of employees who on retirement will be entitled to only the basic pension of $25 per month. Approximately only one-third of eligible employees are contributing to a supplementary pension.

6. Basic pensions are payable to (a) employees who entered the service before December 31, 1934, who had less than ten years' allowable service at that date and

who have at least fifteen years' allowable service at age 65; (b) employees who entered the service after December 31, 1934, at not over age 45 and who at age 65 have at least twenty years' allowable service.

IMMIGRATION, 1946-47-48

Mr. Hodgson:

1. How many immigrants have been brought into Canada during 1946, 1947 and 1948?
2. How many were classed as displaced persons?
3. How many displaced persons had contagious disease on arrival?
4. Were any put in isolation hospital at North Bay?

Mr. Gibson (Hamilton West):

1. Immigrants admitted to Canada:

1946	71,719
1947	64,127
1948	125,414
Total	261,260
2. 1946	nil
1947	7,345
1948	47,388
Total	54,733

3 and 4. To answer these questions would necessitate an examination of all 54,733 displaced persons files, as the information requested is not otherwise available.

NEWFOUNDLAND RAILWAY

Mr. Browne (St. John's West):

What have been the revenue and expenditure for the Newfoundland railway for (a) operation of the railway; (b) operation of the steamship services; (c) other operations, during the six-month period ending September 30, 1949?

Mr. Chevrier: The Canadian National Railways advise as follows:

September results are not yet available, but revenues and expenditures for the Newfoundland district for the five months ending August 31, 1949, are as follows:

Revenues	$4,038,500 00
Expenses	5,543,124 73

Operations of railways and steamers are treated as one, no division being made in the revenues as between rail and water line movements.

CANADIAN NATIONAL RAILWAYS—SUPERANNUATED EMPLOYEES

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 only the basic pension of $25 per month?
3. How many are in receipt of noncontributory service pensions (a) $25.01 to $29.99 per month; (b) $30 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 or over per month?
4. How many retired employees of the Canadian National Railways are in receipt of pensions in part basic and in part contributory (a) $25.01 to $29.99 per month; (b) $30 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 or over per month?

Mr. Chevrier: The Canadian National Railways advise as follows:

1. 55 under C.N.R. prior plan.
2. 2,743.
3. (a), 841; (b), 664; (c), 354; (d), 275; (e), 150; (f), 108; (g), 234; total, 2,626.
4. (a), 476; (b), 2,095; (c), 1,440; (d), 1,258; (e), 731; (f), 652; (g), 2,292; total, 8,944.

METAL LOCKBOXES AND CHAIN LINK FENCE—METHOD OF CALLING FOR TENDERS

Mr. Isnor:

1. Were tenders for metal lockboxes for district architect, Halifax, Nova Scotia, called by the public works department, during the month of September, 1949?
2. If so, could tender forms and specifications be obtained in (a) Halifax; (b) Montreal?
3. Were tenders for construction of chain link fence, immigration hospital, Quebec West, Quebec, called by the public works department, during the month of September, 1949?
4. If so, could tender forms and specifications be obtained in (a) Quebec; (b) Halifax?
5. Is chain link fence manufactured in New Brunswick?

Mr. Fournier (Hull):

1. Yes.
2. (a) Yes; (b) yes.
3. Yes.
4. (a) Yes; (b) no.
5. No information available in the department.

INCOME TAX—FARMERS—PROSECUTIONS

Mr. Diefenbaker:

1. How many persons, by provinces, have been prosecuted in connection with infractions of the Income Tax Act from January 1, 1949, to date?
2. Of these, how many were farmers?

Mr. McCann:

1. The following is the list of prosecutions under the Income Tax Act:

Nova Scotia, 1; Quebec, 5; Ontario, 3; Alberta, 3; British Columbia, 1; Total, 13.

2. There have been no prosecutions against farmers under the Income Tax Act.

WOODSTOCK, N.B., POST OFFICE BUILDING

Mr. Hatfield:

1. Did the Post Office Department recommend to the Department of Public Works that a new post office building be built in the town of Woodstock, New Brunswick?
2. If so, when will the recommendation be acted upon?

Mr. Fournier (Hull):

1. Yes.

2. Due to the necessity of carrying out more urgent works, the construction of a new post office building at Woodstock, N.B., will not be undertaken at present.

TRANS-CANADA HIGHWAY—ASSISTANCE TO PROVINCES—SASKATCHEWAN

Mr. Coldwell:

1. Did the government of Canada at any time from July 1, 1944 to July 30, 1949, make any offer to the government of Saskatchewan to help finance the trans-Canada highway on a fifty-fifty basis?
2. If so, when was the offer made, and by whom?

Mr. Winters:

1. Possible bases of financial participation were indicated publicly and discussed between ministers of the federal government and the government of Saskatchewan.

2. Answered by No. 1.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CANADIAN BROADCASTING CORPORATION—STAFF

Mr. Black (Cumberland):

1. How many members are on the Canadian Broadcasting Corporation's board of governors and executive?
2. What remuneration, salary and expenses were paid to each of these governors and executives during the years (a) 1947; (b) 1948?
3. (a) What are the names of the headquarters staff; (b) what are the duties of each; (c) what is the salary of each?
4. What is the total number of staff and employees of the Canadian Broadcasting Corporation?
5. (a) Who compose the staff and employees of the Canadian Broadcasting Corporation in the maritime provinces; (b) where are they located and what are their duties; (c) what salaries, wages and expenses were paid to each of these employees during the years (i) 1947; (ii) 1948?

Mr. McCann: Return tabled.

VETERANS—CAMPAIGN STARS AND MEDALS

Mr. Pearkes:

What procedure should be followed by ex-members of the Canadian armed forces and merchant navy, who served during world war II, and are now resident outside of Canada, in order to obtain their campaign stars and medals?

Mr. Bradley: Return tabled.

MOTION FOR PAPERS

POST OFFICE DEPARTMENT—SECRETARIES, ADMINISTRATIVE BRANCH

Mr. White (Middlesex East):

For a copy of order in council P.C. 34/2231, dated November 3, 1923, dealing with the establishment of secretaries, administrative branch, Post Office Department, effective April 1, 1923.

TARIFFS AND TRADE

ANNECY NEGOTIATIONS—IMPERIAL PREFERENCE

Hon. Brooke Claxton (Minister of National Defence): Yesterday the hon. member for Broadview (Mr. Church), after quoting an article from the *Globe and Mail*, asked if Mr. Wilgress, our high commissioner in London, was expressing government policy on the question of the trade agreements. The answer is that Mr. Wilgress at the time was in fact speaking as chairman of the international conference on the agreements, but the views he expressed were in line with government policy.

The hon. member for Broadview also asked:

What is the effect of that policy on empire preference—which should be first, last and always in our minds—and on trade within the empire.

The answer is that under these agreements there are some minor reductions in empire preferences; also the agreements would produce some reductions of tariffs between countries of the commonwealth and other countries. So that on balance its effect should be to increase trade between countries of the commonwealth as well as between other countries. The fact is that the agreements have been entered into by all the countries of the commonwealth. Britain and Australia, like Canada, have already signed.

Mr. Church: May I say to the hon. gentleman that the proposal also hangs preferential trade on the sour apple tree, like John Brown's body.

Mr. Claxton: That is a good place for it too.

STANDING COMMITTEES

PROPOSED AMENDMENT OF STANDING ORDER 63 TO INCLUDE PUBLIC HEALTH, WELFARE, SOCIAL SECURITY AND HOUSING

Mr. Donald M. Fleming (Eglinton) moved:

That, in the opinion of this house, standing order 63 be amended by adding after subsection 1:

(m) on public health, welfare, social security and housing, to consist of thirty-five members, ten of whom shall constitute a quorum.

He said: Mr. Speaker, I am very glad indeed to have the opportunity of submitting this motion to the house today. In one sense it is the reward of patience, because I have had this same resolution on the order paper in each session commencing with October, 1945. This is the sixth session, and this is the first time that it has been reached with opportunity for debate.

I may say that the suggestion contained in the resolution was first offered to the government on September 27, 1945, at which time the then prime minister undertook to look into the matter and consider it.

Sir, the resolution requires some brief review of the committee structure of the house. I wish to do this briefly. I do not

wish to weary the house, but I think there is some information which may be of interest particularly to the newer members.

What has happened this afternoon in the appointment of the select standing committees of the house brings this matter directly to our minds. At the present time we have in the house twelve standing committees. As well there are two joint committees of both houses. A third committee was appointed today to assist Mr. Speaker in connection with the restaurant. In what I have to say I am making no reference to the last committee. I am dealing with the standing committees, of which there are today twelve, and then the two joint committees, those on printing and the library.

When one reviews the history of the committee structure of the house, Mr. Speaker, one begins with the rules adopted by the house in 1876. At that time the rules did not set forth, as they do today in standing order 63, the list of committees. In standing order 63 we have a list of the committees, and we also have the number of members who constitute those committees, and also the quorum in each case fixed by the standing order.

In 1876 there was no list of committees set forth in the rules, but there was a reference to some of these standing committees. At that time it was apparently the practice of the house to appoint standing committees at the beginning of the session, but there was no catalogue of committees that the rules required the house to set up at each session. However, at that time three standing committees were referred to in the rules, namely, banking and commerce, railways, and a joint committee of both houses on printing. In some respects these committees thus enjoy seniority.

In 1890 a revision of the rules added reference to another standing committee, namely, that on miscellaneous private bills. In 1906 several additions were made to the list of standing committees, the number at that time being fixed at eight house committees and two joint committees on printing and the library. In 1910 three more committees were added, making eleven, and the two joint committees. These three were on marine and fisheries; on mines and minerals; and on forests, waterways and water-courses.

In their present form our rules date from the revision of 1927. The rules in this respect are today exactly as they were adopted in 1927, with the exception of one amendment that was made in 1945, which I shall mention in a moment.

The effect of the 1927 change of the rules with reference to standing committees was briefly this. First, two of the standing committees, namely that on mines and minerals, and that on forests, waterways and water-courses, were combined into the standing committee on mines, forests and waters. In the second place, a committee on industrial and international relations was added. In the third place, the rule fixed for the first time the number of members of which each committee was to consist and the number that was to constitute the quorum. At that time there were thus ten standing committees, plus the two joint committees of both houses.

One change was made in this list of committees in 1945. Hon. members of the last parliament will recall that in September, 1945, Mr. Bracken, then leader of the opposition, drew attention to the fact that the committee on industrial and international relations embraced two subjects that were not closely related, but were of such great importance as to justify the appointment of a standing committee on each. That suggestion was accepted by the prime minister, and an amendment was made in September, 1945, eliminating the committee on industrial and international relations and replacing it by two committees, one on industrial relations and another on external affairs. This brings us to the present time, with twelve select standing committees of the house and the two joint committees of both houses on printing and the library.

I make this one observation on that subject before I leave it, to draw attention to a remark of the then prime minister, Mr. Mackenzie King, in 1945, in dealing with the suggestion of the appointment of two standing committees, namely on external affairs and industrial relations.

On page 110 of *Hansard* of September 12, 1945, the prime minister said in response to the suggestion of Mr. Bracken:

> If there were two separate committees, therefore, it might and I believe would improve the opportunities of hon. members to give careful study to these questions.

If I might say so, Mr. Speaker, that is the keynote of my approach to this question today. The appointment of committees of this house should be designed with that object in view, namely, to improve the opportunities of hon. members to give careful study to questions of importance coming before the house.

The resolution that I have the honor to submit to the house today will, if it is adopted, provide for the establishment of a select standing committee of the house on matters of the highest importance to all Canadians, and the appointment of that committee will improve the opportunities of hon. members to give careful study to these questions, namely, public health, welfare, social security and housing. In my submission every one

of them is a question of vast importance to all Canadians, and when the four of them are linked together, as I think may properly be done, in the scope of this committee, it offers to hon. members an improved opportunity to give careful study to these questions.

Now, sir, it is fair to ask, how is our present committee structure working? I have indicated that it has not been revised in the last 22 years. There has been just this one amendment. I have before me a table, for which I am indebted to the committee branch and the parliamentary librarian, indicating the number of meetings which each of the select standing committees has held in the past five years. I have begun with the first session of the twentieth parliament of Canada. I put the figures before the house to illustrate facts which I think are of importance. In the first place there is public business of very great importance which at the present time does not fall within the scope of any of the standing committees. In the second place, if the suggestion is made that we have enough committees now, I would answer directly by saying that some of these committees are not meeting at the present time and apparently have not met for years. If there is any question of either reducing the number or avoiding any enlargement of the number of committees, then I suggest we might very well eliminate some of the committees which do not meet today, and replace them by a committee which will meet to deal with the matters of importance set out in the proposed resolution.

The first of the select standing committees, that on privileges and elections, has not met in the last five sessions of parliament. The committee on railways, canals and telegraph lines during the past five sessions has met four, four, five, three and six times respectively. The committee on miscellaneous private bills met two, two, three, four and five times respectively. The figure I am giving in each instance is the number of meetings the committee held throughout an entire session of parliament, beginning in 1945.

We realize that the committee on banking and commerce is an active committee. We find it held 10, 20, 26, 25 and 2 meetings respectively. Turning to the public accounts committee we find that in the last five years it met once in the 1945 session, and in 1946 did not meet at all; in 1947 it met 28 times; in 1948 it did not meet, and there were two meetings in 1949.

The committee on agriculture and colonization did not meet in 1945, 1946, 1948 or 1949, but held six meetings in 1947. The committee on standing orders held one, three, six, one and three meetings respectively. The record for the committee on marine and fisheries stands at two, two and one, respectively; this committee did not meet in 1948 or 1949.

The committee on mines, forests and waters did not meet in the last five sessions. While the committee on industrial relations did not meet in 1945, it held 48 meetings in 1946, nine in 1947, nine in 1948, and failed to meet in 1949. It is one of the new committees, having been established in 1945. It can be seen that it met a need, because it was more active than most of the other committees.

The other new committee established in 1945, on external affairs, held 15, 21, 15, 9 meetings in the first four years, and none in 1949.

The committee on debates did not meet in 1945, 1946, 1947 or 1949, but held one meeting in 1948. The joint committee on printing held its meetings as follows: one, one, one and three respectively, up to and including 1948. It did not meet in 1949.

The joint committee on the library of parliament held two meetings, one in 1946 and one in 1948. In the lifetime of the preceding parliament the only meeting of that joint committee was held on July 22, 1943.

For the convenience of hon. members I would ask that this complete table be placed on *Hansard*.

Committees Appointed by House of Commons during last Parliament and Number of Times These Committees Met

Standing committees (as listed in standing order 63)	1945	1946	1947	1948	1949 (1)
Privileges and elections	Nil	Nil	Nil	Nil	Nil
Railways, canals and telegraph lines	4	4	5	3	6
Miscellaneous private bills	2	2	3	4	5
Banking and commerce	10	20	26	25	2
Public accounts	1	Nil	28	Nil	2
Agriculture and colonization	Nil	Nil	6	Nil	Nil
Standing orders	1	3	6	1	3
Marine and fisheries	2	2	1	Nil	Nil
Mines, forests and waters	Nil	Nil	Nil	Nil	Nil
Industrial relations	Nil	48	9	9	Nil
Debates	Nil	Nil	Nil	1	Nil
External affairs	15	21	15	9	Nil
Printing (joint committee)	1	1	1	3	Nil
Library (joint committee)	Nil	1	Nil	1	Nil

Standing Committees

Special and sessional committees	1945	1946	1947	1948	1949 (1)
Canteen funds	X	X	13	X	X
Dominion Elections Act	X	X	19	4	X
Flag committee (joint)	2	14	X	X	X
House procedure (no record in this branch. Dr. Beauchesne was clerk of the committee)	X	X	X	met	X
Human rights	X	X	8	13	X
Indian Act	X	25	67	36	X
Prices	X	X	X	77	X
Radio broadcasting	X	28	25	X	X
Railways and shipping	10	9	9	10	13
Redistribution	X	X	10	X	X
Standing orders revision. (No record in this branch. Dr. Beauchesne was clerk of the committee)	met	met	X	met	X
Veterans affairs	36	52	X	39	X
War expenditures and economies	9	41	X	X	X

Note: The same special committees are not appointed session after session. Where an "X" is indicated, the committee was not appointed that session.

I believe it is no disparagement of other committees to say that the two committees which were established first in 1945, did fill a need in the committee organization of the house, as evidenced by the large number of meetings they held. This points unmistakably to the fact that there is a need of modernization of the committee machinery and structure of the House of Commons. Because of the inadequacy of the committee structure there are great gaps in the allotment of public business within the scope of the various standing committees.

I do not believe that in the House of Commons, in this year of grace 1949, it should be necessary to say anything about the cardinal importance of the subjects which I suggest should be assigned to a new standing committee. In my resolution I include public health, welfare, social security, and housing. Each of them is a subject of first importance, and happily they are related. I suggest they lend themselves logically and reasonably to inclusion within the scope of reference of one committee.

There is no reason why the subject of housing ought not to be included within the scope of a committee studying health, welfare and social security. I am sure hon. members are aware that in Great Britain the subject of housing falls within the departmental responsibility of the minister of health. I do not believe any member of the House of Commons will contend seriously that housing is not directly related to public health, welfare and social security.

There is need of better opportunity in the house, through the machinery of the house, for the study of these subjects. There is need of provision being made so that hon. members may give careful study to these questions, again using the expression of the prime minister in 1945.

Social security is not a subject on which we have reached the end of our legislative responsibility. It is going to present continuing problems, and it is needful that the house should undertake a comprehensive approach to this question as it pursues the study of social security problems. If I have a criticism to make of the manner in which social security questions have been approached in parliament in the past, it is that the approach has been piecemeal and has not been comprehensive. The time has come when that condition should be remedied. I see no way, apart from the assistance of a committee of this kind, in which the house would be able to undertake that comprehensive approach. Such a committee would provide an opportunity for continuous study, the gathering of information and the eliciting of opinions from responsible organizations which have studied these questions. These opportunities do not exist at the present time.

The committee organization of the house does not now admit of the calling of any person before a committee of the house to discuss questions dealing with public health, welfare, social security, and housing. It is true that when the Minister of National Health and Welfare (Mr. Martin) brings in his departmental estimates they will be considered in committee of supply. The committee of the whole house will sit here, and the minister will have one or two officials in front of his desk. He will have opportunity to confer with them in hushed whispers, and will be able to give us his opinions and also information elicited at second hand from his officials. But we are not permitted to question the officials.

It is no invasion of the principle of the responsibility of government to parliament to propose that, as in the case of the other standing committees of the house, hon. members should have an opportunity of eliciting at first hand information from these departmental officials. An opportunity should also be provided through the committee machinery

of the house to enable responsible organizations, represented by people who have made exhaustive studies of these questions and whose opinions and information would be of the greatest assistance to parliament, to come before a standing committee so as to make that information and those ideas directly available. Today if they wish to lay their information before parliament all they can do is go to the minister. What goes into the minister's files does not come before the house; we do not have access to or knowledge of submissions made by such organizations.

I am glad that the matter of national health has come, by reason of the insistence of the house and increased public interest, to be regarded with greater and greater respect, and, I hope, urgency. I hope that before this twenty-first parliament runs its course some concrete and forward step will be taken in the field of public health, something more far-reaching than we have heretofore attempted as a nation. That step should be taken in concert with the governments of the provinces. But under the present organization of the business of this house it would be impossible to give to such a measure the close and detailed study it ought to receive.

Hon. members will recall that some seven years ago a special committee of the house was set up to study the whole question of national health in Canada. There was also a special committee on social security. Those committees terminated in each case with the end of the session in which they were appointed. The fact that it was found necessary to set up special committees in the fields of social security and national health is proof abundant that a standing committee embracing those two important subjects would be of the greatest assistance to this house in the discharge of its duties and in meeting a need that is being urgently felt today.

We have been told by the government that it is intended to introduce a measure at the present session to amend the National Housing Act. I am sure the house is awaiting with interest the introduction of that measure. As a matter of fact, I think most of us wish the government would bring it down quickly. Any measure that promises assistance in solving the national housing problem ought to be brought down without a moment's delay. When the measure comes before this house I can see that it will be of the greatest assistance—unless we are to be treated as mere rubber stamps or as people whose ideas are of little interest to those bringing down the measure—if a committee is available to which the measure can be referred and in which we may obtain the views of those who are dealing with this problem in its various aspects throughout the country. In that committee the measure could be reviewed, and the result would be legislation that would be vastly superior to anything that is likely to be passed by this house if information of the kind were lacking.

Would it not be of the greatest assistance to hon. members when dealing with that measure if, for example, they could have before them the president of Central Mortgage and Housing Corporation, hear his ideas and obtain directly from him any information he may have? He is not a deputy minister, and there could not be any suggestion of an invasion of the principle of the responsibility of government in proposing that the head of a crown corporation should from time to time appear, along with his officials, before a standing committee of this house in order that the house may perform its duty in seeking firsthand information from the corporation with reference to the discharge of its responsibilities. Under our present procedure there is no opportunity for carrying out that important duty. I am sure I need not dwell further on the value the individual member of such a committee would derive in obtaining information.

I have respect for the information that hon. members possess, but I think that I am being only fair and realistic when I say that regardless of how intensive our study of particular subjects may be, it is impossible, in the time available in one lifetime, considering the other duties we must discharge, to obtain all the information available on any subject. If hon. members could have access thus to further information and research I am sure it would enable them to do a vastly superior job as members of parliament.

Far from invading the principle of responsibility I suggest that such a committee could be of great assistance to the ministers concerned, in the one case the Minister of National Health and Welfare, and in the other the Minister of Reconstruction and Supply. I am sure that these ministers would appreciate receiving the considered views of those who had made an intelligent study of the problem under consideration. Any minister worthy of his office should welcome the assistance that a standing committee would be able to give.

The need for such a committee is illustrated further by the fact that there has for years been in existence under this roof an informal committee made up of members of both houses who are interested in the subject of national health. That committee does not make any attempt to go into the field of housing or social security or welfare; it deals only with health. It has no status in either

house; it is simply made up of a group of interested individuals who arrange luncheons from time to time, to which the members of both houses are invited, and at which they hear papers read in relation to the subject of public health.

This committee is of limited assistance because it has no status, but the fact that such a committee has existed, informal as it may be and limited as its effectiveness has been, illustrates, and I think proves conclusively, the need for a standing committee in this field.

I should like to refer briefly to some of the observations that have been made in times past on this subject. I hope it will not be said that there are too many committees of the house. That would be a poor answer to make to a suggestion of this kind. If the need exists, the fact that there are fifteen committees today is no answer to the request that a sixteenth committee be appointed to enable this house to discharge its responsibilities with reference to the public business. If that had been the answer given by Mr. Mackenzie King in 1945; if he had said that eleven standing committees of the house and three joint committees were enough, we would not have had the two committees which were set up in 1945 and which have proven to be exceedingly useful and active. I refer to the committee on external affairs and the committee on industrial relations.

Can it be said that the existence of standing committees subtracts one iota from the principle of responsibility? I submit not. What is the difference between twelve standing committees and thirteen standing committees in respect to the principle of responsibility? Surely one more committee to deal with subjects as important as these would involve no subtraction from the principle of responsibility. If the appointment of twelve committees constitutes no invasion of the principle of responsibility, then the addition of another committee would create no subtraction from that principle.

Ten days ago the Minister of Trade and Commerce (Mr. Howe), speaking for the government, agreed that another standing committee of the house should be appointed, this time on atomic energy. Why? Because atomic energy is a subject that has attained first importance, in the national as well as the international sphere. Because of that fact the government agrees that there should be another standing committee of the house, in relation to subjects pertaining to atomic energy. There was no suggestion then that that violated the principle of responsibility. If there was no violation then, there certainly is none involved in the resolution I have submitted to the house this afternoon.

[Mr. Fleming.]

In the face of those facts I hope that no one will suggest that we in this house are drawing too close to the United States system instead of sticking to the principle of responsibility. If we have anything to learn from the committee structure of congress at Washington, I do not know why we should be too proud to learn it. Personally I think parliament ought to welcome the opportunity to create possible improvements in the operation of the machinery of the house wherever it can find means of doing so. If, as I urge upon the house, the addition of this committee to the machinery of the house provides that opportunity, I submit that we should welcome it.

On previous occasions the government has been asked to consider this proposal. I shall give the house one extract from *Hansard* which reports what was said the last time the subject was before the house. I may say that my suggestion for such a committee on this occasion was made in the course of the debate in committee of supply on the estimates of the Department of National Health and Welfare. I refer to *Hansard* of June 11, 1948, when the present Minister of National Health and Welfare was dealing with the suggestion that there should be such a standing committee. He was reviewing some of the suggestions made by hon. members in the opening debate on the estimates of his department. At page 5141 of *Hansard* of that date he said:

> I do not think I have now anything else to say, except that the suggestion made for the setting up of a committee dealing with both health and welfare matters is one which is receiving attention. The suggestion has much merit, and I am hoping that I shall be able to take some definite steps at a later date in connection with it.

I hope the significance of those remarks will impress the house. The Minister of National Health and Welfare, the member of the government most closely in touch with matters which would come within the scope of this proposed committee, said that the suggestion that there should be a select standing committee of the house on matters of national health and welfare, social security and housing had much merit. He adds:

> . . . and I am hoping that I shall be able to take some definite steps at a later date in connection with it.

It seems to me that the resolution which I respectfully offer to the house presents an opportunity to do something definite, in the words of the minister, in connection with a matter that has much merit. It is a resolution which, in the words of Mr. Mackenzie King on September 12, 1945, will improve the opportunity of hon. members to give careful study to these questions.

Mr. Clarence Gillis (Cape Breton South): Mr. Speaker, it is not my intention to prolong the discussion. I merely rise to compliment the sponsor of the resolution. That is one time that he has put his talents to good use. He did an excellent job in introducing it and he put a lot of work on it. I want to give him full credit. I agree with all his arguments. For several reasons there is a great necessity for a committee such as the hon. member advocated. For example, there are ninety-two new members of the house. Many of them will not get an opportunity to speak, no matter how much they would like to do so. There are also several reasons for that being so.

The committee structure gives a member, new or old, great opportunity to learn what is going on in the country in all of its ramifications, much greater than he would have merely sitting in the house no matter how long he may remain here and how many speeches he may hear. For that reason I think it is a good opportunity to give the new members, the younger ones particularly, a chance to meet experts in every field in committee meetings. The fields that the hon. member mentioned are of the greatest importance to the Canadian people.

The question of health leaves much to be desired, despite grants to the provinces, the building of hospitals, and so on. Hospitals may be built, but unless you have money you cannot get into them. A large percentage of our population is not receiving the advantages of medical science that are available today. That is a matter that should be examined very carefully, but I shall leave any further remarks on it to my friend who was on his feet when I rose and who, as a medical doctor, is much better qualified to speak on the subject than I am.

There has been a lot of work done in committee on the question of social security. We had the Marsh report. We studied it; we studied the Beveridge report, and the New Zealand set-up. We spent months in committee on the question of social security. Witnesses were brought from all parts of Canada at great expense. It cost the government a lot of money. The Marsh report has gone to the archives to gather dust. I think it would be a good thing if the Marsh report were brought forth again and submitted to the committee that is being advocated at the present time. That report covers the whole field of social security. A lot of work has been done in the past and it should be followed up.

The federal government is making health grants to the provinces but many of the provinces are not spending the money. I think in 1948 Nova Scotia only spent about one-third of what was available. They said that plans were needed and that certain things had to be done before they could take advantage of the grants. The question of housing is tied up with the whole matter of health. I am sure that the Minister of Reconstruction and Supply (Mr. Winters), who has that problem under his consideration at the present time, would welcome a subcommittee of the main committee to study it with him, do some of the work, take some of the responsibility, and assist his department. It can be done. There are hundreds of people in Canada with expert knowledge in all these fields. The machinery should be created whereby they could come here and give the government and the committee the benefit of the information they have.

I have no intention of delaying the matter at all. I merely rose to support the hon. member and compliment him for raising the matter.

Mr. W. G. Blair (Lanark): First of all I should like to congratulate the hon. member for Eglinton (Mr. Fleming) on bringing this matter to the attention of the house. This resolution has been on the order paper—I was going to say for years—during the last session of parliament, and unfortunately we never had an opportunity to discuss it. Taking the place of a standing committee of the house, there has been a voluntary committee on health which I have found very entertaining. Meetings have been held about once every six weeks. Very often scientists have addressed us on matters concerning health or research. The trouble with such a committee is that it is not practical. Entertaining though it may be, it is not practical to gather in the members to discuss a matter of research or a highly technical matter effecting some cure. The committee is not fulfilling its purpose. The fact that it is well attended proves it is an entertaining committee and that members are anxious to attend the lectures. It reveals an interest on the part of every member of the House of Commons in the matter of health. Members realize their responsibility to their constituents regarding health and social security. They attend meetings to find out what they would like to tell their constituents and what they would like to do for their constituents.

I congratulate the member for Cape Breton South (Mr. Gillis) on the attitude he has taken. He mentioned the Marsh report, however, and I intend to show that national health in this country has changed so rapidly that the Marsh report is now getting old. If such a committee were set up the ground covered by the Marsh report would have to be covered again. I said conditions in this country were

changing, and I intend to show that ideas formerly held concerning national health have gone by the board. Diseases which were on the top of the list as a cause of mortality have now gone to the bottom of the list, and the whole picture has changed.

We have been through a war. It is unfortunately true that the greatest progress in research and the treatment of new diseases has been made under the stress of war. Scientists were faced with the problem of dealing with some of these situations and the whole scientific army of our nation set to work to find answers to our problems. We are still reminded of the last war, of its inhumanities and the cruelties that were perpetrated. During this post-war period we are trying to envisage a future in which the physical well-being of all people will occupy the minds of those who are striving for better conditions throughout the world.

Use should be made of the scientific knowledge accumulated in the last three centuries. A few hundred years ago the goal of those interested in the art of healing was to have physicians so well learned in the knowledge of diseases that the sick under their care got well. The thinking at that time was in terms of curing disease. There was no conception of the fact that the physical welfare of a community meant more than proper nourishment and shelter, or that under such conditions only a small part of the population could benefit from the new treatments and additional skill. During the past two decades the fight to eliminate disease and suffering has received an acceleration which was not possible in previous centuries.

In talking of this matter we are all very much aware of the discoveries of scientists like Pasteur or Lister. Bacteriologists have made tremendous advances in the discovery of viruses and the part played by insects in causing or transmitting diseases. Remarkable progress has been made in immunology, nutrition, hormones, vitamins, and some of those discoveries have been little short of miraculous. Newspapers and magazines have been filled with articles about new discoveries. Some of those articles give the public false impressions. The false impression received by the laity through these articles sometimes causes a great deal of trouble. Our laboratories, our hospitals and our physicians have been armed with new scientific equipment and drugs. They are providing services which were unknown a century ago.

The point I wish to make, Mr. Speaker, is that, if this new knowledge and equipment are to be used effectively for the benefit of the whole nation, it is not sufficient to improve only the method of curing disease. Our great objective should be to keep people well. We have the advantage of these discoveries that were made. We are positive now, for instance, that there is no reason why any child in this country should die of diphtheria. Scientists have discovered a method of immunizing that child against this disease. The time has come, Mr. Speaker, when a coroner's inquest should be held if a child dies of diphtheria. If an accident occurs on the highway and someone is killed, a coroner's inquest is held and the whole affair investigated. A child can die of diphtheria and the only formality is a certificate signed by the attending physician. I say that when a child dies of a disease against which it could have been immunized, it should call for a coroner's inquest.

New discoveries made in other branches of medical science have broadened our idea of that remarkable thing we call life. I use the term "life" as it might be applied to the human body. Our knowledge of preventive medicine today shows it would be foolish to attempt to keep all the people well by curing disease. The advances made in preventive medicine will bring about less disease. This is the ideal towards which we should strive. As knowledge is gained in the field of public health, there should not be the call for additional hospitals and physicians. That may be a new viewpoint in this matter, but I submit, sir, it is the ideal towards which we should strive. It will cost less to keep people well and the nation will enjoy a state of health that would have been unknown a century ago. We can look forward to a new concept of health by using the discoveries already made to keep people well.

I bring these matters to the attention of the house because I believe this resolution calls for a committee of the House of Commons. These matters could be placed before that committee. When matters affecting national health are considered in this house, the consideration is limited to the few hours during which the estimates of that department are before us. Questions are asked of the minister and answers are given. No opportunity is afforded to study the broader aspects of a program of public health that would serve the nation and avoid this mortality rate. The members could learn what it means not only to cure people but to prevent people from becoming ill.

Professor Winslow of Yale university medical school, and editor of the *American Journal of Public Health,* gives a good definition of public health—and this is what should be before every member of this house if he had a chance to hear about it on a committee —which is as follows:

Public health is the science and art of preventing disease, prolonging life, and promoting physical and

mental health and efficiency through organized community efforts for the sanitation of the environment, the control of community infections, the education of the individual in principles of personal hygiene, the organization of medical and nursing service, for the early diagnosis and treatment of disease, and the development of the social machinery which will insure to every individual in the community a standard of living adequate for the maintenance of health.

I can give the house another definition—this is a shorter one and is more concise—from Webster's dictionary, in which the state of health is defined as follows:

The state of being hale or sound in body, mind or soul, especially freedom from physical disease or pain.

As to the history of movements in public health, during all the years of man's existence he has been worried about diseases which afflicted him. He spent his time and his money trying to cure and to prevent those afflictions, but he laid more emphasis on the question of cure. His efforts were doomed to disappointment because he knew nothing about the etiology of these diseases. But, sir, the whole picture has changed in the past forty years. Those diseases which I mentioned in the beginning as being at the top of the list as a cause of death forty years ago are now down at the bottom, and at the top of the list we now find diseases of adult and advanced age. Those diseases of adult and later life are now listed in the first ten causes of death. The health problems of today therefore are entirely different from those at the beginning of the century.

There are other matters affecting our population which I think should be brought before a committee. We are all aware of the high cost of hospitalization. Any of us who have been unfortunate enough to have to deal with a situation like that have found out about the tremendous cost of hospital beds and the bills which had to be paid. This puts the matter of hospitalization and relief in time of sickness beyond the financial powers of the ordinary man. The cost of hospital beds has reached a height which makes it difficult for people in the lower income brackets to pay for them. Even ward rates are now at such a height that they are equal to the cost of a private room some years ago. In seeking to obtain hospitalization and to pay for hospitalization, the public are in a difficult position. This matter again could be threshed out in a committee where the costs could be obtained from the people who have to deal with institutions.

Infant mortality in Canada has shown a sharp decline. I remember speaking in this house four years ago and calling attention to the high rate of infant mortality in Canada. Since that time the rate has gone down. This decline is due in large measure to a decrease in the number of deaths from diseases of infants such as diarrhoea and enteritis. Immunization against infectious disease has helped to cause the decline, by controlling communicable diseases of childhood. Whereas diphtheria was the leading cause of death forty years ago, it has now practically disappeared in centres where a campaign of immunization has been carried on. Serious illness at the childhood ages has been much reduced. Pneumonia is another example. We all remember the mortality rate of pneumonia and how it was dreaded by the populace some years ago. It once ranked high as a cause of mortality, but owing to the changes in treatment of this disease, the death rate is now about the same as that for tuberculosis. The reason for this decline is the use of important scientific discoveries, such as the sulpha drugs and penicillin. The result of all these changes has been that major illnesses and chronic invalidism now exist mainly at the older age levels. This is the result of scientific discoveries and of treatment which saved a large number of people from premature death, and which spared them from infancy to the prime of life. The leading causes of death are now those conditions common at older ages. Death from these causes in older people are now a large part of the total.

Years ago, sometime about the year 1710, Joseph Addison, the great English essayist, wrote an essay which appeared in the *Spectator*. He called this essay "The Vision of Mirza", which it might be of interest to the house to review, having regard to what I have been trying to say about the changes in the causes of death.

In this allegory, which Addison professes to find among certain oriental manuscripts picked up in Grand Cairo, the writer is taken into the high hills of Bagdad, where he has a symbolic vision of life. A spirit asks him what he sees, and the tale goes on:

"I see a bridge," said I, "standing in the midst of the tide." "The bridge thou seest," said he, "is human life; consider it attentively." Upon a more leisurely survey of it, I found that it consisted of three score and ten entire arches, with several broken arches, which, added to those that were entire, made up the number about an hundred. As I was counting the arches the genius told me that this bridge consisted at first of a thousand arches; but that a great flood had swept away the rest, and left the bridge in the ruinous condition I now beheld it: "But tell me further," said he, "what thou discoverest on it." "I see multitudes of people passing over it," said I, "and a black cloud hanging on each end of it." As I looked more attentively, I saw several of the passengers dropping through the bridge, into the great tide that flowed underneath it; and upon further examination, perceived there were innumerable trap-doors that lay concealed in the bridge, which the passengers no sooner trod upon, but they fell through them into the tide and immediately disappeared. These hidden pitfalls were set very thick at the entrance of the bridge,

so that throngs of people no sooner broke through the cloud, but many of them fell into them. They grew thinner towards the middle, but multiplied and lay closer together toward the end of the arches that were entire.

There were indeed some persons, but their number was very small, that continued a kind of hobbling march on the broken arches, but fell through one after another, being quite tired and spent with so long a walk.

That is the story of this vision. Hon. members will note from the story that the number who dropped through at the beginning of the bridge, which would represent infantile mortality, since the hidden pitfalls were close to the entrance of the bridge, grew thinner at the middle and lay closer together toward the end of the arches which were entire. The three score and ten arches of the bridge represent the years of human life. I give you that little part of the essay of Addison to represent what is happening at the present time. Instead of the body falling off at the beginning it now falls off toward the end of the bridge.

Every party in this house is committed to some form of national health plan. We possibly do not all agree as to how this will be brought about, but we are all striving toward the one goal. There are certain facts which stand out. First is the proportion of the people in middle and later life who require treatment and attention. The second is that the chief causes of disability and death are today, and possibly will be in the future, those which are characteristic of middle and later life, the cardiovascular-renal diseases; that is the heart, kidneys and blood vessels. They are now well at the top of the list as the cause of death or as the cause of disability in mid-life and later life. Heart disease mortality, and especially coronary disease of the heart, has become all too common. It is difficult now to pick up a paper in which you do not read that somebody in the prime of life has been suddenly snuffed out by coronary disease of the heart. Science has produced early and better methods of diagnosis, but apart from the strain and the stress of life during this decade, the causes of this disease, which is apparently bringing about an increasing number of deaths, demand research. We must make provision for the treatment and the care of an increasing number of cardiac cases which cause disabilities and invalidism.

Again I say, sir, that the whole picture has changed. These matters should be before a committee where we can ask specialists, and those who are learned in these matters, why these things exist, just what we are doing about them in the way of research, and what we are doing about the increased necessity of hospitalizing these people.

I am now going to talk about cancer for a few minutes with the same object in view, namely, to show the necessity of a committee considering these matters. This is a problem with which we must deal. It presents a problem so far as research is concerned, but it presents a challenge to those who are doing research. Every year in Canada approximately 14,000 to 15,000 people die of cancer, and according to the last statistics of the disease it still stands high as a cause of death in this country. I have stated several times that these statistics show changes, but it would appear that the number of cancer cases is increasing as the span of life grows longer. We can illustrate the picture more clearly by considering the fact, or at least the probability—and this is not pleasant to think about—of eventual death from this disease. The number of cases has increased steadily, and while it may be because of the better methods of diagnosis, yet the casualties are rising. It would appear that the number of new cases is higher. People are becoming more aware of the problem and are demanding better diagnostic facilities. It is a tragedy, sir, that cases of cancer are discovered in patients at a time when little can be done. The people who are competent to deal with these cases do not get them early enough. Better diagnostic facilities would mean a great deal for many cases of cancer, if they could be diagnosed in the early stages. The treatment of early lesions under skilled care has proven to be very valuable and often results in entirely eliminating the disease. We thought at one time that there was no hope. Now we do believe that with early diagnosis there is a hope that a large percentage of these cases will get better. We must take steps to intensify any method which has been shown to be of value in holding the disease in check.

I might also point out that the people who are unfortunate enough to acquire this disease are elderly, and have to undergo a long period of invalidism and hospitalization. Many of these people have not the resources to pay for nursing and attention over a long period. This is a case where health insurance and sufficient hospital accommodation could be of great assistance in providing better care.

There is another great question facing us, namely, the problem of mental health. The average member of the House of Commons takes for granted that when a minister makes a certain statement or gives certain figures or statistics that is the end so far as he is concerned, or his connection with the estimates before the house. In the case of mental health, if we had this committee—and I bring this to you again, sir,—where every member could ask questions of these people, and

understand them, the members, irrespective of their political affiliation, could deal with the matter in a way that is not possible when it is merely brought to the attention of the house for an hour or two some afternoon. Mental health is assuming a great significance in Canada. This is a remarkable statement, but it is true. The number of beds occupied by patients suffering from mental disease, or emotional breakdowns, is nearly equal to the number of beds in all the other hospitals. Mental disease is now equal in importance to physical handicaps. I do not think that the average hon. member is aware of the significance of these two statements. We must pay more attention to the provision of hospital or institutional facilities for advanced cases, and mental hygiene must take its place in dealing with a situation such as that.

Unofficial estimates—and I have checked these as well as I could from the material at hand—show the number of the mentally ill in Canada at the present time to be 200,000, 100,000 permanent and 100,000 temporary. The word "temporary" refers to those who have probably had an emotional upset and are temporarily deranged. The health league of Canada estimates another 600,000 partly disabled, making a total of 800,000 people in Canada. The cost of mental disease in Canada is approximately $500,000,000. Statistics show that the number of people in mental hospitals is increasing faster than the general population in Canada. That is something which we should all consider. Any person within sound of my voice hearing a statement like that cannot well vote against a resolution which calls for a committee in which hon. members would study these matters and make arrangements for the treatment and hospitalization of these people in the future. It may be that the increase in the number of patients is due to more complete diagnosis. The Canada Year Book says that the number of patients in mental institutions per 100,000 of the population in 1946 was 399·5, as compared with 396·5 in 1945; 388 in 1940; 352·8 in 1933; and 305·4 in 1931. The number per 100,000 of the population in 1931 was 305·4. The number in 1946 was 399·5. These statistics are taken from the Canada Year Book and they are absolutely authentic.

It may be that in the consideration of these matters before a committee of the house some hon. members might feel that political affairs would enter into the discussion. Let me place on record what happened in the committee on veterans affairs. For four years that committee held meetings. I remember the former minister of veterans affairs stating in the house that this was the greatest committee that had ever functioned, and he made highly complimentary remarks about the work accomplished.

While there might have been the occasional incident which might not fall within that description, we can forget about that. The fact is that ninety-nine per cent of the time the veterans on that committee worked for the benefit of veterans in Canada. I am sure every hon. member of the House of Commons is interested in this matter of health. Is there any reason why a committee of the house would not be of assistance to any minister holding the portfolio of national health and welfare, so as to work out arrangements and discuss health matters to the advantage of all the people in Canada?

I have mentioned mental diseases and cancer; I have referred to the changing view so far as the population is concerned, and the arrangements we will have to make in the future in order to deal with that situation. As I said in the beginning of my observations, when such enthusiasm is shown over a voluntary committee called once in six weeks to hear a scientific lecture, it seems to indicate that that is something members want to hear about and to discuss.

I have said that every political party in the house is committed to some form of health insurance. I do not agree with all of them. I have no doubt we will be told in the house about the benefits of the plan in England, or that in New Zealand. Those plans may be advocated here. Any plan, sir, that has to do with the relief of human sickness or pain is praiseworthy. We must discuss this matter in the light of what will be the best plan for all Canada.

A committee could consider these plans. As I see it, politics need not be brought into its deliberations. On such a committee we could study what has happened in England, where they have a system of state medicine. We could discuss what is happening in the United States, and consider what would be the best plan for Canada.

Those are matters of importance, matters of life and death. They are vital, so far as this nation is concerned. I am not going to discuss at length the matter of health insurance of various types.

It has become apparent, however, that some of the health insurance plans already submitted in connection with state medicine have been very costly, and in some respects have not achieved the objectives they sought to achieve in the beginning. In connection with some of them the cost has gone up at a tremendous rate. I know of no substantial group in Canada who are urging state medicine as an alternative to the present

system. I know of no important exponents of state medicine, in that sense; but I think we are all committed to some form of treatment whereby people will have the advantages of the scientific discoveries of past years.

The suggested committee should have the power of discussing this plan. There should be available to all citizens in Canada a program of medical care which will provide preventive, diagnostic and curative services. This program should provide a service of a high standard under conditions satisfactory to the doctors and to the public. Such a plan should not in any way infringe upon the principles of either the medical profession, the public or any others concerned. It should be a method of accumulating funds for services required to maintain the health standards of this nation.

We cannot take on something that we cannot afford; let us be sensible about that. The United States is now in the throes of discussing some plan of that type. These matters should be discussed before a committee, so that when we do adopt a plan to which all parties in the house are committed, it may be the best we could have for this country. That matter should be fully discussed.

We will never get anywhere spending two hours in a discussion of the estimates some afternoon when there is no other government business. I appeal, sir, to the members of the house to consider these matters, and to realize that we are dealing with matters of life and death. It is shocking to think that scientific discoveries have been made, and that we have failed in the House of Commons to approve of them, or have permitted them to become matters of political discussion—and this at a time when people are suffering and dying.

Let us have this committee; let us discuss these matters intelligently. Let us look into the question of mortality rates in Canada. Hon. members will recall that I have said there are some things that can be well handled, given the opportunity; for instance, I have in mind the immunization of a child. As I said at the beginning, a matter like that should call for a coroner's inquest, and not simply be passed over by parliament during some hour or two in an afternoon when the estimates are being considered.

Mr. E. G. Hansell (Macleod): Mr. Speaker, it is a delight for me this afternoon to support the motion offered by the hon. member for Eglinton (Mr. Fleming), in which he calls for an amendment to standing order 63, having for its purpose the setting up of a standing committee or committees to deal with the subjects of public health, welfare, social security and housing.

I appreciate the observations of the hon. member for Lanark (Mr. Blair), who has just taken his seat. I am not as well qualified as he to speak in matters of health. By profession he is a physician, and speaks whereof he knows. At the same time I would add that the imperative need for health, welfare, social security and housing in these days makes an impact not only upon the minds of physicians but upon the minds of all people with ordinary sense.

I rise to support the resolution not only because it involves these four subjects, but because it would necessitate a change in standing order 63. In these days when we must face many problems, the committees which must deal with those problems should be an asset to any government having the responsibility of determining policy in Canada.

I am not going into the details of public health itself, but I should like to present one angle of this subject. There is quite a move on foot in other nations as well as ours to bring in what is commonly known as state medicine. Are we to assume that in connection with a subject of that kind the government is going to take full responsibility of determining policy without any parliamentary investigation? State medicine is a big issue. Some of us would oppose it on the basis that it was socialistic while others would support it because they believe, whether rightly or wrongly, that the Canadian citizen would be better cared for in matters of health through such a system. All I am saying now is that there are two opposing views in connection with that problem.

Surely the government should be willing to say: "Let us lay the subject open, let us lay it bare before the people of Canada. Let us have a parliamentary committee to which any organization, any individual or any municipal or provincial government could come to make their views known, and upon the basis of such an investigation we as a government will determine our future course and policy". I mention that as one reason for setting up a parliamentary committee.

The cost in connection with any system of public health or welfare or social security would be tremendous, and the hon. member for Lanark (Mr. Blair) has touched on this phase of the question. During last session when the Minister of National Health and Welfare (Mr. Martin) presented the government's policy with respect to social security I delivered a speech, although it was not what might be called a major speech. I asked the minister a most pertinent question. I wanted

to know if this government was going on and on and on with certain social security measures which would cost a tremendous amount of money and which in this day of apparent prosperity it might be reasonable to suppose the taxpayers of Canada could provide, and what the minister would propose in the way of financing such a program should there be a period of depression.

Surely we could have expected that a responsible minister would have projected his thinking into the future far enough to be able to say what this government or any succeeding government would do in such a case, but the minister did not answer along those lines. He gave no indication of what plans would be made to meet such huge obligations. He answered my question by saying, "Oh, well, we have always done it before, I feel confident we will always be able to do it again". Any business corporation in Canada that went out on a limb like that would be considered very unsound indeed, and yet we have the government administering what is perhaps the biggest business in the country not being able to say what they will do in the event of possible adverse circumstances facing this nation.

I am in favour of this resolution because it calls for the setting up of an additional committee to deal with these matters, but I am disappointed that the resolution does not go further. I am disappointed that it does not propose the setting up of committees to study a further number of what I would regard as very important problems facing Canada today.

Government today is not the same as it used to be. There was a day when parliament met purely as legislators. There was a day when the government administered the affairs of the country simply on the basis of the legislation that had been passed. I am not saying that in those days governments went on holiday, but all they had to do was to see that the legislation already passed functioned reasonably smoothly throughout the year. But we seem to have passed that day. Government has become big business. Government has set up all sorts of government corporations.

Parliaments have met and in their legislative responsibility have delegated tremendous powers to the government. We have become not only legislators but in a sense administrators. We are asked to take a holiday from the administrative angle of it at the close of each session. But government being big business makes it most important that everything of national importance done in this country should have the closest scrutiny.

I should like to ask a question or two with regard to some of these government corporations. I am entirely in sympathy with what the hon. member for Lanark said when he asked what opportunity this parliament had to discuss these vital issues except for an hour or two on some estimate. I need to mention only one or two of these corporations, for instance Central Mortgage and Housing Corporation, which would be covered by this resolution which calls for a committee on housing. That particular government corporation is big business, but there is no opportunity for the details of that business to be considered by this parliament.

The minister may suggest that we can discuss it on the estimates, but I should like him to point to one estimate in that blue volume that has anything to do with the Central Mortgage and Housing Corporation. His answer to that would be that we could discuss it on the first item, departmental administration. We know how far we would get in discussing a corporation of that kind on item No. 1 of the department. Surely a corporation that is responsible for the administration of a tremendous amount of housing in Canada should be scrutinized carefully by a parliamentary committee. I say that is only reasonable.

There are other similar matters. I believe the hon. member for Kamloops (Mr. Fulton) mentioned the other night that there should be a complete revision of the standing committees of the house. Take, for instance, the civil service of Canada. I believe there are in the neighbourhood of 123,000 civil servants. What opportunity have we in the house to discuss the administration of the civil service? We should have a standing committee so that any civil servant, be he office boy or the head of a department, could come and make his wants and wishes known. As legislators, how much do we know about the inner workings of the civil service? Perhaps someone will rise and say that we have an opportunity to find out. It is all very well to say that, but I assure you there are not enough hours in the day for me to read everything that comes to my desk. We all know that is the case. Why should we not have specially delegated duties imposed upon various committees? Why should we not specialize in this or that subject and leave no stone unturned in respect to any important matter that faces the country?

Then there is the Canadian Broadcasting Corporation. By way of licence fees it takes from the taxpayers of Canada about $5 million a year. Then it comes to parliament over and over again for loans from the consolidated revenue fund. Nevertheless there is no standing committee on radio broadcasting.

In the estimates there is an item of nearly $3 million for the international shortwave station. Three million dollars is a lot of money to spend on broadcasting to the world. I know it can be said that we can discuss that on the estimates, but there should be a committee examining these matters very carefully.

The national film board requires about $2 million a year. Let me point out to you, Mr. Speaker, that the national film board, a great and powerful medium of propaganda, places before the people almost anything it pleases, using motion pictures, which not only mould people's minds but so affect their emotions that they reach decisions one way or another. On top of that there is the Canadian Broadcasting Corporation. To be polite, I suppose I should say that it is a powerful medium for the dissemination of information, but all information is propaganda. You can call it by a nice name if you want to.

Here are these powerful government institutions. Are we going to say that the only time we have to discuss such matters is a few minutes on the estimates, which are usually brought in in a rush near the end of the session? These subjects should be scrutinized with a great deal of care.

I said that government was big business. I must say I believe the ministers of the crown bear a tremendous burden of responsibility. I do not see how they can keep their fingers on all the details of their departments. I know it is done through an efficient organization from the man at the top down. Let us take the Department of National Revenue. If ever anything needed to undergo an overhauling it is the administration of the Income Tax Act. I cannot discuss a resolution on the order paper in the name of the hon. member for Red Deer (Mr. Shaw), but I know that all over the country there is dissatisfaction with the administration of that act. I do not blame the minister entirely. He has a tremendous job on his hands.

I think ministers of the crown should welcome committees that would go into these matters and make reports in order to assist them in the determination of policy. I see the Minister of Public Works (Mr. Fournier) in his seat looking at a newspaper. I know he has a tremendous responsibility. I wonder how much opportunity the house has to scrutinize in detail all that is done by the Department of Public Works. We know that last year a decision was made to move the printing bureau to Hull, and that it caused a great deal of concern. I think the minister was a bit embarrassed.

Mr. Fraser: He got the votes though.

Mr. Hansell: I do not know, but it seems to me that the minister would have been well advised to have had a committee go into the matter and recommend where the printing bureau should be established.

Mr. Fournier (Hull): Mr. Speaker, may I remind the hon. member that the location of public buildings is decided by a body created by statute in 1946. I refer to the federal district commission. If you read the statute you will see that this body makes recommendations as to sites. That is the way it was proceeded with in this case.

Mr. Hansell: I am not criticizing the fact that the minister may have proceeded according to a statute. I merely suggest to him that it might have been better if a committee could have given advice on the matter. If the minister says that they have proceeded according to a certain statute, that is playing into my hands. That supports my argument because the statute may not be a good one. If it is not a good one what could be better than to have a standing committee of the house suggesting that the legislation should be changed?

Mr. Fournier (Hull): You did not oppose that measure.

Mr. Hansell: No, I did not; the minister has misunderstood me. I am not criticizing him. I am merely suggesting what might have been done, or what might be done in the future, by select or standing committees having their hands on every detail of government administration.

I believe I can conclude, Mr. Speaker, by saying that our democracy has become topsy-turvy. First of all, governments determine their policy. Legislation is brought down and put on the doorstep of parliament. The government says, "There you are, boys; that is it. What have you got to say about it?" It does not make any difference what we have to say about it. What difference does it make? We could holler so loudly it would give the lie to the disappointing acoustics of this chamber, but it would not do any good. The government has decided. It is similar to saying, "The gods have spoken."

As I say, our democracy has become topsy-turvy. That is not the manner in which the business of the country should be conducted. The government determines policy and has the last say on the matter. Members of parliament have become what the member for Eglinton (Mr. Fleming) said, merely rubber stamps. We like to throw out our chests and say, "Well, we are members of parliament." We are members of parliament, but for what? If democracy means anything, before government policy is determined the matter should be brought before the people's representatives. This

would enable the government to ascertain what the people want and, on that basis, determine what government policy should be. The picture would then be that the people would be asking the government to do this or that. At the present time the converse is true. The government tells the people what they should have.

I am saying, Mr. Speaker, that there should be a revision of our standing committees. Those committees should have the opportunity of going into every detail and scrutinizing with the greatest care everything that is of national importance. There is another matter which I think is of tremendous importance. I know when I mention it someone is going to make a mountain out of a molehill. In the United States, for instance, the seriousness of communist forces in that country has been recognized. A committee on un-American activities has been set up. As soon as that is mentioned someone says, "Yes, and what a farce." I wonder whether it is a farce. It may have appeared to be so, but I should like to tell you that it has brought the danger of the infiltration of communistic forces into the United States to the attention of the average citizen of that country. At the moment, I do not know that I would be prepared to suggest that a committee of that sort be set up in this house. I may say that the issue is tremendously important in Canada. We are trusting that the government has the matter well in hand, and that is all we can say about it.

As I say, Mr. Speaker, every national issue that concerns the welfare of our people, whether it is the paying of income tax, whether it concerns a different way of life, whether it is a matter of security and health or whatever it is—someone mentions the atomic bomb. I do not know that we need to know a great deal about the atomic bomb, but I am going to suggest to you, Mr. Speaker, that if two or three of them were directed at Montreal, Vancouver, Winnipeg—

Mr. Thatcher: And Moose Jaw.

Mr. Hansell: That might be a good idea. I want to say that the people of Canada would not know what to do under such circumstances. I believe it would be a good thing for the Minister of National Defence (Mr. Claxton) to tell us sometime whether anything has been done to inform the people of Canada on what they should do in such a case. No one can say with any certainty that something might not happen overnight. Wars are no longer declared; let us remember that. The firing of the first gun starts them. This is another of those great issues upon which information should be furnished. We are running our parliament with committees that were set up before I was born. I do not think I need to say anything more about that, Mr. Speaker, except to bring to your attention the urgency of this matter and ask hon. members to support this resolution.

Mr. W. Ross Thatcher (Moose Jaw): I should like to take two or three minutes in this debate. The hon. member for Macleod (Mr. Hansell) made one remark which I thought was particularly pertinent. He stated that parliament is not like what it used to be. That is very true. As a matter of fact, this session parliament seems to be like a morgue or a church. While waiting for a vote, perhaps we should sing hymns instead of "Home on the Range". I am in favour of setting up any committee if such action will liven up the house.

I have been a member since 1945 and have seen a number of parliamentary committees set up. These committees sit for a while, discuss matters and report to the house. Quite frequently, nothing is done thereafter about those reports. For instance, I remember the first committee to which I was appointed —the flag committee. I felt very important because I had been chosen by our group to be a member of that committee. I was present during many hours in which the committee met and finally selected a Canadian flag. The committee reported, but we have never heard another word about its recommendations for a flag. Before setting up another committee, I suggest to the government that it would be wise to do something about the reports of committees, which were set up in the last session.

The Indian committee which my friend the member for Comox-Alberni (Mr. Gibson) has mentioned a few times was set up in 1946. That committee sat for three sessions and made some excellent recommendations. We have not heard much about them since that time.

Mr. Hodgson: Neither have the Indians.

Mr. Thatcher: No, neither have the Indians. Then, the prices committee was set up with a good deal of fanfare. That committee managed to waste several hundred thousand dollars of the taxpayers' money. A report was brought in, but prices are still going up and very little has been done about the recommendations which the committee made. I could mention other committees but I shall not take the time of the house.

Then there have been royal commissions along the same lines. It seems to me a committee was set up to study the rules of the house. There was a royal commission on prices, a royal commission on fuel, and others. The royal commission studies a matter, but usually nothing is done about its report.

Why set up another committee if it is simply going to discuss matters and result in no action? If the committee is to mean anything, and I support the setting up of the committee if it will mean anything, I think the government must give some undertaking that action will be taken after recommendations are made. This resolution today calls for a committee to discuss housing. Housing is an acute problem, and I think the people of Canada want some action in the matter now. They do not want it to go to a committee and be buried there for six months or a year, then have a report back and still no action taken. I think there is that danger.

I approve this resolution in principle. If the government adopt it, I hope they will give some undertaking that they will make use of the committee and adopt some of the recommendations it makes. I know that my time is not perhaps as valuable as that of some hon. members; but I do not want to waste it again in another committee, spend months sitting on it, and then have the government just bury the report. I speak personally in this regard.

Mr. E. D. Fulton (Kamloops): I should like to support this resolution and to take the opportunity of associating myself with what has been said by the hon. member for Eglinton (Mr. Fleming) and by others who have spoken in this debate. I think it must be admitted that there is a great deal of truth and merit in what has just been said by the hon. member for Moose Jaw (Mr. Thatcher). It seems to me that committees of this house can be of two kinds. One kind is a committee to help the government avoid responsibility; that is the kind of committee that the hon. member has just mentioned such as the prices committee, the flag committee and so on. We all regret the waste of time and money that those committees involve, and I think the protest just entered by the hon. member for Moose Jaw was fully justified.

But in addition to that kind of committee—that is the committee to help the government to avoid responsibility—there is another kind; and fortunately it can be said with a great deal of truth that the majority of the committees of this house are of that other kind, namely, the kind of committee to help the government share responsibility. This committee which the motion of the hon. member for Eglinton envisages is, I am certain, that type of committee. What he has in mind is a committee which will be available at all times to examine the various problems in the fields which he has suggested should be made the responsibility of a committee; which would be available, independently as it were, to obtain evidence and opinions on those matters,

in order to enable the members of the house to express their opinions in the light of those views; and, further, would be available as a standing committee of this house when such important legislation as the proposed bill to amend the National Housing Act is being considered in the house. If there were such a committee, then it would be, one hopes, a matter of course that such legislation would be referred to it. Then the president of Wartime Housing Limited and the president and officers of the various welfare organizations across this dominion could come before that parliamentary body and give their direct evidence; and of course it is quite impossible for them to do that in the house.

I think the hon. members who have spoken previously have outlined the advantages which would follow in the sphere envisaged by this resolution. But I also want to associate myself fully with everything the hon. member for Macleod (Mr. Hansell) said just a few minutes ago. As he pointed out, the other night when the estimates of the Department of Veterans Affairs were being discussed I made a few brief remarks on the necessity for overhauling our committee system. It seems to me that this is another proof that the time for that overhaul is ripe; I refer to the fact that so many members, on a resolution this Wednesday afternoon, would speak in this manner and would support the motion of the hon. member for Eglinton. I should just like to mention a few more reasons which I think were omitted, if I may use that word, from the remarks of the hon. member for Macleod.

Things which in the past Canada did not seem to be immediately concerned with, and things which the Canadian government as a government were not concerned with, have since the time of confederation and since the time of the various revisions of our rules become matters in which the government is deeply involved. These are matters on which it is surely necessary that we should have committees of this house to assist in doing two things. One would be to assist the government in putting legislation through with the utmost co-operation from all members and from all parties in the house. I think that is one quite legitimate function which would be served by a committee. The second is to enable the members of the house to inform themselves on the issues involved in the legislation which is discussed in the committee, and to inform the government as to what are in fact the views held by the various sections of the country which they represent.

As has been said already, our government is in business in a big way. It is a development which some of us have regretted from

time to time, or opinions have been expressed regretting it. Some say that governments should not be in business. But it does not matter, Mr. Speaker, what your view on that subject may be, the fact is that the government is in business. It is probably correct to say that the developments that have taken place in the world and in this country in the last few years and the developments which it seems will take place in the future are such that the government cannot help getting into business, and will go on getting into business in a bigger and bigger way. That being the case, the machinery which was set up—

Mr. Mitchell: My hon. friend is talking like a socialist.

Mr. Fulton: Yes, but I would point out to the Minister of Labour (Mr. Mitchell) that it is his government which, over the past fifteen years, has been getting into business in a big way. It is not a socialist government.

Mr. Mitchell: May I point out to my hon. friend that I think I know something of the position of his party and its arguments for the American system of government.

Mr. Fulton: The Minister of Labour does not know what I am talking about, because I have not come to it.

Mr. Mitchell: The hon. member does not even know himself.

Mr. Fulton: I did not know that the minister had added to his accomplishments that of mind-reading.

Mr. Mitchell: It is not difficult to read my hon. friend's mind.

Mr. Fulton: The point is this. Whatever may be one's views, this government, in common with all governments in the world, is getting into business and has to deal with business problems; I do not mean merely commercial business, or business in the narrow sense of the word. The very nature of things has seemed to make it essential that the government should become more and more intimately concerned with the average everyday activities of the life of this nation. That being the case, it is a fact that the machinery devised for the conduct of the business of government many years ago is no longer adequate for conducting the business with which the government has to concern itself at the present time. I think that is the main reason why we should have an overhaul of our committee system.

If everything is to be done on the estimates, and if our only opportunity to examine what the government is doing in these different spheres is to be confined to the estimates and the committee of the whole which is called the committee of supply, and it is a committee of this whole house with 262 members, we would need thirteen months a year just to get through the estimates alone if we were really to examine these things as they should be examined. We would need to sit here solidly for those thirteen months, if we could have a year of thirteen months. The only alternative is to revise our committee system and to set up, to deal with these various problems, a number of committees to which members may be appointed, thus giving them a chance to study those subjects in which they are interested, to become informed on them and to deal with them in the detail which they merit.

I should like to mention a few matters to show that there are conspicuous gaps in our present committee system. There are such things as the judiciary. We have no committee now to which any of the constitutional measures coming before us at this session can be referred. The bill which we passed yesterday and the resolution in the name of the Prime Minister (Mr. St. Laurent) for a further amendment of the constitution are cases in point. We have now in Canada a court of final resort, namely, the Supreme Court of Canada. It is in a sense a part of our constitution because it is the court of final appeal on constitutional matters. We have no committee which can deal with that aspect of the matter. There is no committee on the judiciary; there is no committee on defence. As the hon. member for Macleod (Mr. Hansell) mentioned, the atom bomb is a great source of peril hanging over the nation and over the minds of the people of the nation. Whether it is regarded as a part of defence or not there should be a separate committee to deal with the matter, which has been promised. It is involved in defence. There is no committee on veterans affairs. There is no committee on housing, and that brings me back directly to the resolution which is before the house at the present time.

If I may put it this way, Mr. Speaker, enough has been said to convince any person taking a detached view of the need of this country, and taking a detached view of the opportunities available to hon. members to study these problems and of the means by which hon. members may find their opportunities, that he should not vote against the resolution so ably put forward by the hon. member for Eglinton (Mr. Fleming).

Hon. Brooke Claxton (Acting Minister of National Health and Welfare): Mr. Speaker, ordinarily the Minister of National Health and Welfare (Mr. Martin) would have spoken to this motion, but he is at Lake Success as

one of the Canadian delegates to the meeting of the United Nations, and as acting Minister of National Health and Welfare the responsibility has fallen on my shoulders of speaking to this motion.

I must say that from the time taken by the six hon. members of opposition groups who have spoken on the motion it began to look as if a new device was being practised in this house, and that is, that hon. members of the opposition were engaged in an endeavour to talk out their own motion.

Mr. Fulton: You have thirty-five minutes now.

Mr. Claxton: I will not take thirty-five minutes, and at the end of my remarks I shall be ready to have a vote, if that is the wish of the house, but I hope that what I say will make that unnecessary.

Hon. members who have spoken have taken a very reasonable position, and have put forward points of view which they have expressed quietly and in a way to command respect as well as attention; but I do suggest to the house that one or two things can at once be mentioned which indicate that there are two sides to the question.

The first is that in the history he gave of the development of committees in this house the hon. member for Eglinton referred to the fact that in 22 years there has been only one change, and that was made in 1945, which I think should lead hon. members to the view that the house has not lightly disturbed the set-up of committees.

The second point which I might mention is that in the discussion of the six speakers who have preceded me it is rather noticeable that not a single one of them has referred in any way, shape or form to the practice followed in the other countries in which there are British parliamentary institutions. My belief is that the system of government which we call the British parliamentary system is the best form of government yet devised by man to regulate his affairs. The fact is, as hon. members must know, though they did not refer to it, that in no parliament of the British commonwealth, so far as I know, is there in existence any committee of the kind suggested by the hon. member for Eglinton.

In a minute or two I propose to develop the reasons why that should be so; but before doing so may I at the outset say that the suggestion made by the hon. member and the point of view which I am going to express on it have no reference to the subject matter of public health, welfare, social security and housing. I am in favour of public health; I am in favour of welfare; I am in favour of social security and I am in favour of housing; and I do not want my remarks on the subject of this motion ever to be construed in such a way as to indicate for a second that anything I have said is in the direction of blocking further development in all these four important matters.

If there were any tendency to misunderstand the position regarding them, then I could point to the fact that possibly the reason why I should be speaking today in the place of the Minister of National Health and Welfare is that from some time in 1944 until 1946 I held that portfolio, and during that time I was responsible for the administration of the social security measures and the health measures of this government; and also as a member of the committee of the government I had a part in formulating the green book proposals which are still the most forward-looking and comprehensive plans of social security and health yet put forward in any country.

The motion is one to amend standing order 63 by adding after subsection (l) words which would create a new standing committee:

> (m) on public health, welfare, social security and housing, to consist of thirty-five members, ten of whom shall constitute a quorum.

It is a motion to set up a committee and not to give Canada and Canadians a new heaven or a new earth, and I suggest that the arguments put forward by the hon. members who have spoken, all representing opposition parties, indicate clearly and unmistakably what is really in their minds. If I may put it this way, what they would like to see is what is only natural, and that is government by a committee and notably a committee of opposition members; whereas we believe in the system of government by a committee, but a committee representative of the party in power and responsible through that party to parliament and to the people as a whole. I believe that there the issue lies. Let me say at once that if this were the only committee to be suggested, or if we were to proceed only in a certain direction to a limited extent, then the arguments put forward by the hon. member for Eglinton (Mr. Fleming), and reinforced by the hon. member for Lanark (Mr. Blair) particularly, would be very persuasive. If the committee were a committee to study a matter so as to enable members to be better informed on subjects of public importance, then it might serve a very useful purpose.

But that is not the object of the committee, as developed by the hon. members. It is very clear that what they have in mind is a committee which would be responsible for initiating legislation involving the expenditure of public funds and amounting in effect to a program of legislation to be put forward by

a committee representative of various parties, and not by the cabinet which is responsible to the crown and which under our constitution is the only group that can advise on a matter of public expenditure.

As the hon. member for Eglinton has said, this matter was first put forward in the house on December 15, 1945. At that time I was minister of national health and welfare, and made a brief reply. It was put forward again, and on April 10, 1946, Mr. Speaker ruled that the motion was out of order, on the ground that a special committee had been set up to assist him in reference to standing orders.

The suggestion was renewed on May 30, 1946, upon which occasion as reported at page 2052 of *Hansard* I said:

> I must say that my own idea with regard to this some time ago was that there should be such a standing committee; but on considering the matter and looking into the practice in the United States and in England, I am coming to the view that it probably would be a mistake for us to have a number of standing committees dealing with the functions of different departments, such as they have in the United States. That leads to a totally different parliamentary system, one which is very much more similar to that in force in the United States than that on which we have modeled our own parliamentary system, namely, the parliament at Westminster, where they have no functional committees. They have five standing committees, and matters are referred to one or another of the committees by Mr. Speaker. From such examination as I have made of it, and comments made in England I believe that the British procedure is the best; that the multiplication of functional committees in the United States leads to an effort by committees to administer departments. I believe that experience has shown that our system is as good as, if not better than, any in the world.

Mr. Fleming: Would the minister read the next sentence in which he said he had an open mind on the subject?

Mr. Claxton: Certainly. As I have indicated, I had already changed my mind. The hon. member will not trap me in any way in that respect. I went on to say:

> Therefore, on that point, on which I have an open mind, I certainly am not convinced that we should change. I think we should consider most cautiously the institution of standing committees which have a definite relationship with the department and to which estimates would regularly be referred.

But I can add that as my hon. friend knows very well, since he has followed me through *Hansard*, on two later occasions I indicated that the views I now hold are definitely opposed to the views he has put forward.

As I have said, the position is that in the United Kingdom, where they have a system of government on which our own is modeled, there are six standing committees lettered A, B, C, D and E, and one dealing with Scottish matters. There are no functional committees. The only matters referred to the lettered committees are legislation.

The only authority bearing on the advisability of this procedure is found in Campion's An Introduction to the Procedure of the House of Commons, where, at page 238, he says:

> The function of a standing committee is to consider and amend public bills. It is true that S.O. No. 47, permits the reference to a standing committee of "other business" as well as bills, and that in 1919 the experiment was tried of referring to a standing committee certain portions of the estimates. But this experiment is not likely to be repeated.

In other words, since 1919 the only matters referred to standing committees in the British House of Commons have been bills, and those references are made by Mr. Speaker of his own volition to one or other of the named committees.

Mr. Fulton: Would the minister permit a question?

Mr. Claxton: I think I should be allowed to finish. I should like to see this go to a division, if possible.

Mr. Fulton: I would like to ask a question. I was going to say that probably the minister will agree that in the United Kingdom parliament sits practically all the year round, whereas in Canada we sit for about six months. Does the minister agree that that has any bearing in the matter?

Mr. Claxton: No, not the slightest.

Mr. Fulton: When we are considering the period of months in which we have to look into these matters—

Mr. Cruickshank: That is long enough to listen to you.

Mr. Claxton: If the hon. member will look into it further he will see that in Canada we sit for about the same number of days as they do in the United Kingdom. The fact that those days may be concentrated more at one season of the year than another, it seems to me—and I may be unable to follow the hon. member—has no bearing whatsoever on the point under discussion.

Further, one would have thought that if this were going to be such a panacea for governments it would have been adopted in some of the other countries which follow the British system of parliamentary government. I have in mind, for example, Australia, New Zealand, South Africa and now India and Pakistan. I have had inquiries made, and I have made inquiries of representatives of these countries, and I am assured that they have no such committees.

What is more, since I have been interested in the subject of parliamentary procedure ever since entering the House of Commons, and at one time held the view that it was desirable to have such committees, I have

discussed this matter with the leaders of various parties in various countries of the commonwealth; and I have found without exception that they share the view I am now putting forward, namely that the institution of functional committees of this kind, if extended, inevitably would have the effect of breaking down our representative and responsible system of government.

The hon. member for Eglinton said, "Let no one say we should not have this because they have it in the United States, and we would be getting too close to the American system." He added, "If we have anything to learn, we should not be too proud to learn from the United States." I thoroughly agree with his last remark—if we have anything to learn. While I have the greatest possible respect for the American system of government and for American institutions which, in so many ways, are similar to our own, I certainly will not acknowledge that in any respect whatever are their parliamentary or congressional systems superior to ours.

I believe that the reason for that is the historical development of the country which resulted in the system of checks and balances which they found necessary when they "cut the painter" as a consequence of the American war of independence. But we have had no need to cut the painter in that way. Our development has been orderly and peaceful and it was not necessary for us to say to the king, "We will have no more." It was never necessary for us to impose checks and balances because our development, like that of the British system, has been orderly, peaceful and progressive.

It should be made clear just what the difference is between this country and the United States. In the United States all executive power is invested in the President, not in the governor in council or in the cabinet. The President's cabinet are not elected and are not responsible to congress; they are responsible only to the President. The President is elected for a fixed term and the only way in which he and the members of his administration can have continuous association with the members in both houses of congress, and vice versa, is through the device of the congressional committee. It is before the congressional committee that the administration and its representatives put forward the legislative programs, meet objections and answer questions.

But that is not the case in Canada. Here the Prime Minister and his cabinet are appointed by the crown because the party they represent commands a majority in the House of Commons—and what a majority it is. That is because they have received the support of the electors in a majority of divisions. The Prime Minister and his colleagues meet the members of parliament because they are also members; they meet those members every day on the floor of the house and answer questions and explain legislation. They are not separated from the members by that separation of authority which exists in the United States.

The two systems are entirely different. To pick bits out of the United States system and endeavour to introduce them here is showing a failure to understand how fundamental it is to our system of government that legislation involving the expenditure of funds should be introduced as a government measure which may or may not be referred to a committee, depending upon the will of the house. Once you set up a whole range of committees to deal with all the operations of government it becomes inevitable that those committees will endeavour to administer the affairs of the different departments and thereby remove from the government the responsibility which is theirs and theirs alone, and which is the great reason for the success of our form of government. We can be held to account in the house and in the country, but the President of the United States cannot be held to account for legislation that is introduced in consequence of a sitting of a congressional committee.

These proposals are apparently plausible and reasonable but they must be examined and scrutinized with the greatest care because they strike at the roots of the fundamental principles of parliamentary democracy as we know it in Canada. Of course it may be said that we have done it already. Of course we have. But that, subject only to the exception of the committee on external affairs, happened a long time ago. The activities of these committees have become pretty well defined. But what has been suggested today by most of the speakers is that the committee should take on itself the responsibility for laying out lines of policy involving expenditures.

Another reason why that course is objectionable is that under our system the government goes to the people, outlines its platform and either secures or does not secure the support of the people. Having been returned to office it feels that it has a mandate. Each year in the speech from the throne it lays before parliament its program for the session. Since our governments are reasonable, and I believe as intelligent and as responsible as any that can be found, that program is conceived with the idea of meeting the needs of the Canadian people with such means as the people are willing to put at the disposal of parliament for the purpose.

In other words, the art of government is the art of the possible, the art of balancing what is desirable with the means by which it can be achieved. That can be done only by a government that has a long view of the whole comprehensive picture of departmental activities. If you have one committee on social security, another on housing, another on agriculture, another on fisheries and another on defence, each initiating lines of activity and developing programs of their own, then where will you have that comprehensive program that is necessary in order to carry on the government of the country?

Mr. Fleming: Will the minister permit a question?

Mr. Claxton: I am watching the clock. I do not know if the hon. member wants to have a vote on this.

Mr. Fleming: Will the minister be logical and go as far as to recommend the elimination of all standing committees?

Mr. Claxton: I have indicated already that I would not do that. In conclusion may I draw to your attention in a most summary way the reasons why I think this motion should not be acceded to. In the first place a committee considering policy, administration, appropriations and expenditures would be useless unless it made recommendations to the house. Such recommendations would have to be accepted or rejected by the government after it had already arrived at a decision in respect of the very matter which was the subject of recommendation. Such a decision would have been arrived at by the government in the light of its knowledge and appreciation of the various needs of government and the means whereby those needs might be met. That is where the responsibility of the government comes in.

To the extent that a committee substituted its views for those of the government and the party to which the government is responsible, and the majority in the house to which the government is responsible, it would remove responsibility from the government.

In the second place such a committee would remove responsibility from the party supporting the government and tend to get away from the two-party system which we believe fundamental and essential to the maintenance of parliamentary democracy.

In the third place it would throw out of balance the government's program for the raising of revenue and the allocation of appropriations. Fourth, it would cut directly across the fundamental principle that only the government can propose expenditure. Fifth, it would put departmental officials in the position where they would either have to agree or disagree with the minister to whom they are responsible or state that an answer could not be given as contrary to government policy, and so interfere seriously with the administration of the public service.

The hon. member who moved the motion, and I believe three out of four others who spoke, made other suggestions relative to the reorganization of the committee set-up. I must say that the hon. member for Eglinton (Mr. Fleming), in giving the list of fifteen committees, made out a pretty good case for the elimination of some of them because they have seldom if ever met during the last five sessions.

I suggest this is the kind of thing which could only be considered as a part of a general examination of the rules of procedure of the house. I suggest also that to consider the establishment of a single committee, when several others have been put forward by hon. members, would not be the best course to follow. While I am personally opposed to the project and would vote against it if it is put forward now, it seems to me that the best time for the matter to receive consideration would be at a moment when the rules of procedure and the structure of parliamentary committees as a whole were under consideration.

Motion (Mr. Fleming) negatived on division.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow the Prime Minister will move the motion in his name under government notices of motion concerning sittings on Mondays. Then we will take up item No. 11 under government orders, the resolution in the name of the Minister of Mines and Resources, and then item No. 16 under government orders, the resolution in the name of the Minister of Fisheries. Then we will go into supply and first take up Agriculture, then Veterans Affairs, Transport and Labour, but I cannot give the order of the last three departments.

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

HOUSE OF COMMONS

Thursday, October 13, 1949

The house met at three o'clock.

QUESTION PASSED AS ORDER FOR RETURN

NEWFOUNDLAND CUSTOMS AND EXCISE

Mr. Browne (St. John's West):

What is the amount of revenue collected for (a) customs; (b) excise; (c) other sources, in Newfoundland, for the six-month period ending September 30, 1949?

BUSINESS OF THE HOUSE

PRECEDENCE OF GOVERNMENT BUSINESS ON MONDAYS

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That on Monday, October 17th instant, and every Monday thereafter to the end of the session, government notices of motions and government orders shall have precedence over all other business except introduction of bills, questions by members and notices of motions for the production of papers.

He said: In moving this order, Mr. Speaker, I should like to take the opportunity to express what I believe to be the feeling of most members of this house, namely, appreciation of the interesting debates we have had so far this session on private members' notices of motions and public bills. More time for these debates was made available by the fact that we disposed of the debate on the address in reply to the speech from the throne in much less time than it has occupied in any other session since I first came to this house. Several hon. members have indicated to me that in their opinion the debates on these motions were much more interesting than a protracted debate on the address would have been. Personally I should be inclined to agree with that view. I suggest to hon. members that they think the matter over and ask themselves whether it would be a more interesting use of the time at the disposal of the house to have at the beginning of the session these opportunities for debating the various subjects dealt with in the notices of motions placed on the order paper by private members. I am sure that the debates we have had so far have been interesting and valuable, and I should like to extend my compliments to those who have participated in them.

Several days have been devoted during this session to private members' motions. As hon. members know, there is a large volume of public business that must be dealt with. Even though we have devoted several days to the consideration of estimates we have not yet disposed of one department in its entirety. It has been found also that discussion of the estimates gives hon. members an opportunity to bring before the house matters which they feel are deserving of consideration, and that it would be well to be able to proceed with the estimates in a more leisurely fashion than is possible at the very end of a session. For this reason I hope that the motion will commend itself to the house, and that, before the business of the session can be considered as completed, ample opportunity will be given to hon. members to deal with matters which appear to them to be of public interest.

Mr. Gordon Graydon (Peel): I think that hon. members will agree with much that the Prime Minister (Mr. St. Laurent) has said. There is one matter that I should like to mention, Mr. Speaker. It arises out of what the Prime Minister said with respect to opening up the estimates of the departments. On previous occasions the government has first settled upon two or three departments only, and often the estimates of many departments are left until the closing days of the session. The item of departmental administration gives hon. members an opportunity of discussing in a general way the policies and details of the department concerned. I suggest to the government that in this session, and in future sessions, if it meets with their convenience—I am sure it will meet with the convenience of hon. members generally—we have a wider distribution of departments, from the point of view of the estimates presented so that at least the item of departmental administration may be discussed in leisurely fashion. This would meet the wishes of many hon. members who desire not to be rushed at the very last minute in discussing major items. I should like the Prime Minister to take this suggestion into consideration, if he will. It would improve the whole standard of debate.

Mr. Angus MacInnis (Vancouver East): I do not think there is any objection from this group to the motion which has just been moved by the Prime Minister (Mr. St. Laurent). We are all appreciative of the opportunity we have had this session to discuss private members' resolutions on private members' days, which it was not possible

to do in other years, particularly during the war years and the years immediately following, because of the urgency of government business which resulted in the curtailing of private members' days. But I hope that I did not understand the Prime Minister to suggest that in future if we want to have private members' days we would have to curtail the debate on the address. As a matter of fact, private members' days are provided for under the rules of the house, although there is no guarantee as to how many there shall be. At least, under the standing orders of this house, we are entitled to some, and I do not think we should be told that if we are good boys we can have them, but that if we are not, they will be taken away. What happened this year was that the debate on the address was completed in time to give us Thursdays, which we would not have had if the debate had continued for four weeks, as sometimes happens. Subject to these comments, may I say that we are quite agreeable to the Prime Minister's motion being adopted.

Mr. Solon E. Low (Peace River): I should like to add one word to what has already been said. We shall have no objections at all to the passing of this motion, but I should like to say to the Prime Minister (Mr. St. Laurent) that we have appreciated the opportunity to discuss private members' resolutions, some of which have been on the order paper since last spring.

I understand that prior to the war, when sessions were carried on in a more leisurely manner, private members' days were greater in number than they have been since. As one member of this group I welcomed the return this session to a greater number of private members' days early in the session. I do not know whether that came about simply as a result of the shortness of the debate on the address in reply to the speech from the throne. But we have appreciated it, sir, and in future sessions I should like to see even greater recognition of the right of private members to discuss their resolutions as fully as possible. However, I think the time has come in the present session when we should pass this motion.

Mr. Donald M. Fleming (Eglinton): I want to make one observation. I hope the adoption of this motion will enable the government to expedite the bill to amend the National Housing Act. I think many hon. members have regretted that there should have been any delay in the introduction of that important measure. May we have some indication as to when that measure will be introduced?

Mr. St. Laurent: With respect to the remarks made by the acting leader of the opposition (Mr. Graydon), may I say that I shall be glad to have my colleagues give consideration to suggestions made at any time by representatives of any of the groups as to bringing forward one department instead of another, so that there may be an opportunity for discussion on the item of general administration. We appreciate the fact that when these matters are brought forward it is desired by hon. gentlemen sitting opposite that we make better progress than we do, and for this reason, if for no other, we shall be glad to give sympathetic consideration to any such suggestion.

I did not intend to suggest that I was asking hon. members to behave in any special manner. What I was referring to was what the hon. member (Mr. MacInnis) himself agreed to. It is only the first four Thursdays that are private members' days. In previous years the debate on the address has taken up those four Thursdays; therefore there were none available for private members' notices of motions. During this session we have had three of these Thursdays available for discussion of private members' motions.

Mr. Knowles: Just two.

Mr. St. Laurent: With respect to the introduction of legislation, we do wish to bring forward at the earliest possible moment all of the legislation announced. The housing legislation would have been ready at the very first day of the session had it not been for the correspondence that is still going on with representatives of provincial governments. The Minister of Reconstruction and Supply (Mr. Winters) wished to get as clear a statement of the views of the provincial governments as possible before bringing in a printed bill; otherwise the provincial administrations might believe it to be too late to make any further suggestions.

Mr. Church: Will any appropriation be included in the coming budget for the cost of these private members' motions?

Mr. St. Laurent: Yes, but it would be only the item which provides generally for the cost of legislation.

Motion agreed to.

SHIPPING

TIE-UP AT HALIFAX—QUESTION OF FEDERAL ASSISTANCE

On the orders of the day:

Mr. G. K. Fraser (Peterborough West): Mr. Speaker, I should like to ask a question of the Minister of Trade and Commerce. This morning's press carries the following headline: "Mothball fleet grows; 72,000 tons of shipping idle in Halifax; no cargo; federal aid only solution."

Some hon. Members: Order.

Mr. Speaker: Order. The hon. member should not at this time read newspaper headlines or articles.

Mr. Fraser: All right. Has the department of the Minister of Trade and Commerce taken any steps to relieve the situation which prevails at Halifax—and it may be the same at other points on the Atlantic coast—where 72,000 tons of shipping are idle and many men are out of work?

Hon. Lionel Chevrier (Minister of Transport): Mr. Speaker, the question asked by the hon. member is one which the senior member for Halifax (Mr. Isnor) had intended to ask.

Mr. Graydon: You are giving him notice of the question now.

Mr. Chevrier: I might tell the house that the present plight of shipowners and ship operators is serious, first of all because of the increased costs of operation. I am informed that the costs of operating a Canadian ship are at least twenty-five per cent higher than the costs of operating a United Kingdom ship. Costs of construction vary to the extent of fifty per cent as between Canada and the United Kingdom. A further serious situation is caused by the deterioration in ocean freight rates. Finally, the exchange situation brought about by devaluation has had an effect. I regret to say that for these reasons some ships have had to tie up. I can assure the senior member for Halifax and the hon. member for Peterborough West that the government is giving careful consideration to the matter.

Mr. Fraser: I should like to ask a further question. Despite what the Minister of Trade and Commerce (Mr. Howe) has said, is it not also a fact that we have lost our foreign markets?

Right Hon. C. D. Howe (Minister of Trade and Commerce): Perhaps I might reply to the hon. member by telling him that in the year ended September 1 last, the latest date for which figures are available, exports were the highest of any previous peacetime year in the history of Canada.

Mr. Gordon B. Isnor (Halifax): Mr. Speaker, so that there may be no misunderstanding in the minds of hon. members, may I point out that in the regular fashion, and as a matter of courtesy, I had sent notice of my question to the Minister of Transport. In my question I asked:

> Will the Minister of Transport, in the very near future, make a statement in respect to what, if any, action will be taken to assist the shipping interests at Halifax and other Canadian ports to overcome the loss of business, because of the exchange situation and the lack of overseas cargo?

I wish to place this question on the record.

CANADA FORESTRY ACT

FOREST PROTECTION AND EXPERIMENT, CONTROL AND MANAGEMENT

Hon. Colin Gibson (Minister of Mines and Resources) moved that the house go into committee to consider the following resolution:

> That it is expedient to present a bill to authorize the governor in council to establish as a national forest or as a forest experimental area lands belonging to His Majesty in the right of Canada and to exercise control and management thereof and construct works therein; to establish and maintain forest research laboratories; to assist provinces or owners of forests and to enter into agreements respecting the protection and development of forest lands. The Minister of Mines and Resources is authorized to appoint temporary officers and employees for the carrying out of the provisions of the act.
>
> Expenditures incurred are payable out of the consolidated revenue fund.

Mr. Graydon: Mr. Speaker, I suggest that the minister ought to take advantage of this occasion to make a statement, which I have no doubt he is now prepared to make.

Mr. Gibson (Hamilton West): I have a brief statement to make. I had proposed making it, however, in committee, if that is satisfactory.

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

Mr. Gibson (Hamilton West): Mr. Chairman, this resolution was on the order paper at the last session of parliament, but was not reached; consequently we are proceeding with it again at this session.

Hon. members will recall that we have as chapter 78 of the Revised Statutes of Canada an act known as the Dominion Forest Reserves and Parks Act. In 1930 the National Parks Act was passed. It dealt entirely with the national parks and removed from the original bill all the provisions referring to them. In the same year, 1930, the natural resources owned by the dominion in the western provinces were transferred to those provinces, with the result that all national forests which had formerly been set aside were placed under provincial jurisdiction. As a result, the Dominion Forest Reserves and Parks Act, as it exists, is out of date and no longer adequately meets the program and policy of the government.

While it is true that the natural resources of Canada come under provincial jurisdiction, the dominion government does of course recognize that it has a direct interest and responsibility in assisting in the development, protection and utilization of our forest products. The dominion government secures considerable revenue from forest industries. The employment they provide and the subsidiary industries that are maintained have

contributed in great measure to maintaining the high standard of living which we have at present in Canada. It is not the intention in any way through this bill to invade provincial jurisdiction, but it is felt that by close co-operation and agreement with the provinces we can assist in the development of a constructive forestry program throughout the country. This bill is intended to provide a basis for that assistance.

It should not be assumed that up to the present time nothing has been done in this regard. I would draw the attention of hon. members to some of the activities of the forestry branch. In the dominion forestry service we are at the present time operating three research laboratories, one at Ottawa and one at Vancouver; and we assist in the operation of the pulp and paper research institute at Montreal. The functions of these laboratories are to experiment with new uses of various products, to take steps to preserve the life of the woods we produce, and to prevent waste. In addition to laboratories we have five forest experimental stations which are operating in five different provinces. Those have been set up for the study of problems concerning silviculture, the protection of forests, and the utilization of the products of our forests. Those forest experimental stations cover an area aggregating 227 square miles.

In addition to those laboratories and forest experimental stations we are doing a considerable amount of research work along other lines. For example, we have gathered together a tremendous amount of statistical information that is of great benefit both to the forest industry and to the provinces. By means of air photographs we have been able to secure valuable information as to the extent and quality of the forest resources of this country. New techniques and equipment have been developed which have greatly improved the work being done. The time and the cost required to secure this information have been cut down. I think we might well be gratified to know that the equipment we have developed in this country is now being used in many other countries, as well as by the provincial authorities.

There are many problems concerning forest conservation which require consideration. There is the problem of protecting our forests from fire, from insects, and from disease. These problems are common to all the provinces and undoubtedly can best be met by a combination of effort in research work which will be of benefit to us all.

The problems of reforestation and publicity can best be met by a joint program to be carried out in close co-operation with the provinces. The bill that is to be introduced will provide that the dominion government may enter into agreements with the provinces, with other departments of government and with other persons, in order to promote efficient forestry development.

I should like to point out one mistake that has been made in printing the resolution as it appears on the order paper today. This may have been copied from a similar resolution that was up for consideration last session. The resolution reads in part:

> The Minister of Mines and Resources is authorized to appoint temporary officers and employees for the carrying out of the provisions of the act.

There is nothing in the bill giving that authority to the minister, and I do not think it should be in the resolution. Any employees that will be taken on for the purposes of carrying out the activities authorized by the bill will be appointed in the usual way through the civil service.

Mr. McIvor: I have no doubt that many hon. members of this house know that the lakehead is the centre of development of our timber industry. During the last three or four months considerable alarm has been felt at the lakehead over the extensive ruination which has occurred in our forests because of the budworm. I am sure that those who know anything about the ravages of this budworm will welcome the statement which has been made by the minister and will read it carefully.

I commend the minister for what he has said about giving assistance to the provinces and to owners of timber land. We certainly would like to have a laboratory at the lakehead, right at the place where things are happening.

Mr. Murray (Cariboo): As one who comes from British Columbia I commend the minister for introducing this measure. The forests of this country are of great value as a source of continuous income for our people from one coast to the other. I had the experience last year of proceeding along the Mackenzie river in northern Canada and observing a forest fire which had been burning for several weeks and which was wiping out great areas of timber which even today would be of commercial value.

I hope that the bill to be introduced will make possible the planting of state forests throughout this dominion. I do not think this country could make a better investment for the future than to have many forests under cultivation. Some of them could be planted on marginal lands which are not particularly fitted for agriculture—I am thinking of the valleys of British Columbia.

Mr. Cruickshank: Hear, hear.

Mr. Murray (Cariboo): The Fraser river valley, of course. There has been a continuous change in the value of the forest products of this country. Only a few years ago the timber in northern Ontario was regarded as having no commercial value. I can remember when the timber along the Canadian National Railways was not regarded as having any commercial value. Yet within one's lifetime there has been developed one of the greatest pulpwood mills in the world, and it is utilizing timber products which at one time were considered to have no value. This goes on all over the country.

Up in the Peace river country, some of which is in the constituency which I represent, there are stands of trees suitable for saw mill manufacture and possibly the greatest reserves of pulpwood available in this country are to be found along the Peace, Finlay and Mackenzie rivers. There is no doubt that this measure is of the utmost importance to the Dominion of Canada.

Mr. Pearkes: Mr. Speaker, in the 1946 session, speaking at considerable length, I urged the government to give assistance to the forest industry to a greater extent than had been done up to that time; therefore I am pleased to see that a bill is to be introduced to carry out some of the suggestions I then made. I shall reserve my main remarks until I have had an opportunity to study the bill. I should like, however, to ask the minister to what extent the provisions of this bill will apply to dominion-owned lands on the Indian reserves.

Mr. Gibson (Hamilton West): The bill will cover all lands held in the right of Canada. The dominion forestry service will issue regulations to govern forest areas. The provisions of the bill will apply to dominion lands as well as to lands covered by agreements which we may make with the provinces in connection with experimental stations located on provincial limits.

Mr. Herridge: Mr. Chairman, I think we all realize that the conservation and maintenance of our forests is of vital interest to the Canadian people. As a member representing a constituency in which a large number of people derive their livelihood from the forest industry, and as one who has spent almost his whole life in developing a small forest, and in the growing of trees, I take great pleasure in making a few remarks on this resolution.

First of all may I say that I am pleased that the government has decided to introduce this resolution. I shall look forward with interest to seeing the bill that is to follow. The subject of the resolution is of particular interest to me, if you will pardon a personal reference, because I am a man who derives far more pleasure from skidding trails, a deck of logs, the perfume of sawn lumber, and woodland operations generally, than from listening to nebulous arguments on some intangible point of law. These things mean more to me and exemplify reality, shall I say.

I am happy to note that in recent years interest in forest conservation has widened. I have made a considerable study of forest conservation, tree planting, selective logging and things of that kind, and looking back over the years I find that there is now a much wider interest in forest conservation and maintenance than there was twenty-five or thirty years ago. I am pleased to note that in recent years trade union organizations and farm organizations in Canada and the United States have expressed themselves as being greatly concerned about the conservation of our timber resources. These people are becoming more aware of the importance of our forests from the point of view of climate, employment, irrigation, and flood control.

Forestry was the first industry on the North American continent. It has been in existence ever since Leif Ericsson came to the shores of this continent and took cargoes of timber back to Greenland. Then there was the development of the lumber industry by the New England colonists who first cut spars for masts for British ships and for shipment to Great Britain. We of this continent are the most fortunate people in the world in having forests containing between 1,100 and 1,200 different species. Today we can see the difference in type between the pulp timber of northern Ontario and the giant trees found in California in the Sequoia national forest, one of which is estimated to contain, if scaled, some 621,000 feet of lumber. Interest in forest conservation in Canada, so far as my reading of the subject is concerned, developed towards the concluding days of the nineteenth century, but the first large-scale organized expression of growing public opinion with respect to the conservation of forests was in the calling of the Canadian forest congress in 1906 by the forestry association of Canada. I believe that congress was called as a result of the successful holding of a similar congress in the United States about twelve months previously.

Although we have had but one major congress in Canada, since that time there has been increasing interest on the part of provincial governments because of their acquiring natural resources within the provinces. At the same time we have had federal government officials doing all they could with the money they had to spend. I should like

to bring to the attention of the house a paragraph from a pamphlet known as "Forest Facts", published in the 1920's, to indicate how little had been done up to that time. The quotation reads:

> The forest resources of Canada are being depleted at the rate of about five billion cubic feet annually through cutting, fire, insects, and decay. If the reproduction and young timber are not protected, the stand of merchantable timber accessible for exploitation will not withstand this drain for more than twenty-five years . . . Few people realize the urgent need which exists for a forest policy in Canada.

That was the situation in the 1920's. We have had the dominion forest conservation commission, which conducted a survey of our forest resources in 1913 and 1914 without making recommendations. As I said before, we have had officials of various departments of the federal government doing limited work in connection with forestry. We have had the provincial governments taking an increasing interest. In addition to these efforts, a very encouraging development in recent years has been the increasing interest of the industry itself. I think it is only fair to say that the forest operators of Canada, large and small, are contributing large sums of money, either toward conservation policies given effect to by individuals, or in support of policies advocated by organizations, and for general publicity purposes to stimulate public awareness of this most important and vital situation.

In this respect I might say in passing that the Canadian Forestry Association has carried on an excellent work throughout the years. Various newspapers, and other publications such as "Woodland World," have also made a contribution. As a result of the fact that we have gradually moved from a pioneer civilization into an industrial civilization, there is a greatly increased consciousness of how basic the forest industry is to Canada. I have read a great deal about various conservation and management policies, and so on. I have read a lot of things written by people who read books and then wrote articles based on pure theory. I have heard lumber operators sometimes unjustly criticized because the person who criticized them did not have knowledge of the conditions under which they were working.

To formulate a policy for forest conservation and for forest management means that you have to formulate a policy to meet a great number of different conditions throughout the country. For instance, on the Pacific coast we have large timber stands with virgin timber that in many cases is five to six hundred years old. It is easy to criticize the operators for cutting those large stands, but on the Pacific coast you must cut virgin and mature stands clean, and follow with a policy of replanting or of leaving seed trees to carry on reproduction.

In the interior of British Columbia there is an entirely different situation facing operators. They are operating largely in second growth stands with timber up to 125 years old. There they can log selectively. There some operators are beginning to take a limited amount of timber per acre per year from their holdings. Then we come to the timber forest conservation policy of the prairies, where it is almost entirely a policy of replanting under entirely different climatic conditions. Then we come to the pulpwood industry of northern Ontario, which represents an entirely different problem. Therefore in Canada we must have a policy drafted to meet different conditions and changing circumstances. I would urge that the dominion government give every support to the forestry congress proposed by the Canadian Forestry Association to be held in 1950. We all recognize that the management of forests comes directly under the provincial governments, but I am of the opinion that if we are to have an understanding of our forest problems, and if we are to get satisfactory public support for conservation policies that are drafted with a realization of the varying conditions in Canada, we must bring together all interested people at a national congress to function as a clearing house of ideas and opinions. Therefore I urge the minister and his department to give every support possible to the plans for a proposed forestry congress in 1950.

In this connection I should like to quote from an excellent brochure published by the Canadian Forestry Association. I believe it is worth any member's time to read this pamphlet. The excerpt reads:

> The Canadian Forestry Association feels it is urgent to the welfare of Canada that a second Canadian forestry congress be convened, with the widest representation from all who are directly and indirectly interested in the forests of Canada.

In my opinion, Mr. Chairman, the essential steps that must be taken to establish a sound forest policy have been well defined as a result of wide Canadian experience. I want to mention briefly some general principles concerning the establishment of such a policy in this country.

In the first place I think we must proceed to halt and control the major destructive forces and processes such as shifting cultivation, overgrazing and burning, and the exploitative and excessive rate of utilization of productive forests. I believe we must create a body of public opinion on forest policy and law, and apply it through a

competent professional organization. I believe also that we must ensure understanding of and support for these programs; that we must estimate the prospective need for forests in the various provinces, and determine what the forest lands of the country can produce under proper management. I believe it is necessary to apply forestry practices which will be effective and economically feasible, and also to learn a great deal more about forests, forest products and the utilization of waste than is known at present.

I could go on at greater length, Mr. Chairman, but when the bill is introduced I intend to deal with some matters I shall not mention at this stage. I do believe, however, this resolution is evidence that the government is cognizant of greater public interest in the conservation of our forests, and that it now realizes that our forests are a basic resource and must be treated as a national trust. Truly our woods and forests are one in our lives with soil, water, animals and food. Soil and water conservation, flood control, lasting abundance in industry and prosperity on the land—all are involved in the proper use of our forest resources. With all the ravages of the past, the errors and delays, the time required to develop a widespread realization of the problem before us, I am certain that the genius of Canadian democracy can yet restore our forests, redeem our watersheds, bring new life to ghost towns, and find increasingly successful ways to fight fire and pests, if this parliament and the legislatures of this country are willing to give the lead by co-operating one with another.

Mr. Gibson (Hamilton West): I should like to expand my reply to the question of the hon. member for Nanaimo concerning forests on Indian lands, to point out that while this measure will not directly apply to forest resources on Indian lands, it will of course apply to forest reserves that may be established on those lands.

Mr. Low: I have in mind two questions I should like to ask the minister, but before doing so I want to say briefly how much we appreciate the action of the government in bringing down the legislation which is to be based on this resolution. It must give great satisfaction to Canadians from one end of the country to the other who know anything about the situation that has developed with respect to our forest regions. When we consider the figures which were put on *Hansard* the other day, showing that in the period from 1940 to 1948 something like 17,000,000 acres of timber land in this country were ravaged by fire; when we realize the tremendous value of the merchantable timber on those lands that were burned over, and when we realize how destructive these fires have been, not only to our timber resources but also to our soil and water conservation measures, I believe we must all acknowledge that the minister and the government are to be highly commended on bringing in legislation to provide for closer co-operation with the provinces in better methods of control and utilization of our forest resources.

My constituency of Peace River—not Cariboo, by the way, which is represented by another hon. member—is a big lumber producing area; but year after year we are finding it necessary to go further and further back into uneconomic areas in order to get the timber required. Unless new methods are adopted that will enable forest areas closer to the settlements to produce the lumber which is required, some day it may become economically impossible for our people to get out that timber and make use of it. All too frequently the government of my province has found itself utterly incapable of coping with the fire situation. It just has not the resources. That was one reason why some years ago the province entered into negotiations with the federal government and the predecessors of my hon. friend in the Department of Mines and Resources, with a view to bringing about closer co-operation between the dominion and the provinces with the ultimate objective of preserving the watershed on the east slope of the rockies. Eventually those negotiations bore fruit, and some two years ago a joint board or commission was set up. I understand the work that has been done by that board in the past year and a half has been especially good, and I hope that in the course of his remarks the minister will say something about that work. It seems to me that the joint board set up for the preservation and reforestation of the east slope of the rockies might be a pattern for the action envisioned in this resolution. I would ask the minister, when he has a moment to speak, to give us some report of what has been done and the success that has attended the efforts of that board.

The minister acknowledged that there was a printing error in the resolution, and that the following words should not be there:

> The Minister of Mines and Resources is authorized to appoint temporary officers and employees for the carrying out of the provisions of the act.

Under the circumstances would it not be well for the minister to move an amendment deleting this sentence? Otherwise when the committee passes upon the resolution that part will be included, and we feel that the resolution should not be adopted while it contains those words.

Personally I want to commend the minister for his vision. I think he has the interests of Canada at heart when he brings forward

this resolution. It seems to me he is exhibiting statesmanship and leadership in his department that we have not known there for a long time, and I extend my congratulations to him on what he is doing. I think this bill opens a new era of co-operation between the provinces and the dominion in connection with the conservation of the rich resources with which this country has been endowed. I am sure all provincial governments will welcome the legislation, and will take advantage of every opportunity to co-operate with the minister and his department. I know something of the work that has been done at these experimental stations in attempting to discover the causes of diseases that have been rapidly destroying some of our finest trees, and the promise of an expansion of that work is something to be commended. I am sure the people of this country will receive it with thanksgiving and joy.

Mr. Gibson (Hamilton West): I quite agree with what has been said by the hon. member for Peace River in regard to the work of the joint board set up to look after the conservation of the forest resources on the eastern slope of the rockies. I have not had a chance to visit that area, but I know they are doing valuable work, and the progress they are making in the preservation of that watershed should be of great benefit to the prairie provinces. I agree with the hon. member also that probably a motion should be made striking out from this resolution the words:

> The Minister of Mines and Resources is authorized to appoint temporary officers and employees for the carrying out of the provisions of the act.

As I cannot make that motion myself, I would ask my colleague the Minister of Public Works if he would make it.

Mr. Fournier (Hull): I move that the words quoted by the Minister of Mines and Resources be struck out of this resolution.

Motion agreed to.

Mr. Gibson (Comox-Alberni): With my colleague from Nanaimo, I come from Vancouver island which probably has the greatest stand of soft woods left in the British empire. Naturally I am greatly interested in this new bill which the minister proposes to introduce. I think we are all conscious of the fact that the economy of Canada is greatly dependent on the forest industry. I am rather curious to find out why at this late date there is a necessity for the introduction of such a bill. It has always seemed to me that surely the federal government has been conscious of the tremendous revenues that have accrued from the forest industries. We have had our forest laboratories in operation, of course. I am rather curious to find out from the minister just what this bill purports to do that he has not already authority to do.

As to reforestation, it becomes a matter of simple economics. I think it is a matter for the closest liaison between the minister's own department, the Department of Finance and the department of the Minister of National Revenue, whom I see over there, to make it of advantage to investors to put their money into a reforestation program. After all, if you put money in now, it is never going to do you any personal good. Trees take too long to grow for people to expect to get anything back in their own lifetime, usually. Many submissions have been made by the forest industries of British Columbia and of other provinces to the taxation department asking that more latitude be given to them so that it would be made more attractive for investors to put their money into reforestation programs. I should be glad if at some time, perhaps at the congress mentioned by the hon. member for Kootenay West, it would be possible for the forest industries to present their problems and suggestions to the taxation department in that regard. I can think of nothing that would cause more trees to be grown in Canada than making it attractive to private enterprise to put money into that particular business. I should like the minister to explain to me, if he will, just what he hopes to do through this bill that he has not already authority to do.

Mr. Gibson (Hamilton West): As I said in my opening remarks, we already had a bill, the Dominion Forest Reserves and Parks Act, which was out of date, and it was decided to bring in a bill to authorize the activities of the department more in keeping with the program and policies of the department at the present time. We have had operating, it is true, laboratories and experimental stations. Those have been authorized by vote of the House of Commons, and the money has been authorized for that purpose. But it is felt that we should have the forestry program modernized so that the department would have less difficulty in entering into the agreements that are required to carry out the joint program with the provinces.

Mr. Fraser: The hon. member for Comox-Alberni mentioned the profit from growing trees. There is a definite profit in reforestation because, when you plant your trees, you plant them thickly; and in a few years' time you can trim them out and sell what you trim out as Christmas trees. That is being done in Ontario at the present time, and I believe that Ontario has about the best policy of reforestation of any province in Canada. In fact, I know it has.

I feel that one reason for that is that for some years now the Ontario Horticultural Society, which is separate from the province, has been encouraging the growing and the planting of trees. Some few years ago Mr. Carter—I believe he lives in Guelph; he is a past president of the Ontario Horticultural Society—gave trophies in the rural schools throughout the province, to schools that would plant the best area or district in trees; and the Ontario government would give every school the trees to plant. That plan has been growing and growing each year. Some of the schools started in with a quarter of an acre. I think that is what they were supposed to plant. The program has grown and many of the schools now have many acres in plantations. The schools can even make money in trimming the trees.

The hon. member for Peace River commended the minister for bringing in this resolution. I have read in the press many a time, as I know the minister has also, "Born twenty years too soon." I feel that this measure should have been brought in at least twenty or thirty years ago. Back in 1940 when we were going over the estimates of the minister's department, out of an expenditure of some $240,000—if my memory serves me aright; I have not the figures here—the government planted only some fifteen acres of trees. The rest of the money was spent in cutting out and so forth. The minister mentioned that they have laboratories for finding out ways and means of using wood, pulp and one thing and another. But I do not believe that his department have the facilities for finding out what will save our forests. I know that right here in this house we plugged for something to be done with regard to the budworm; I believe it was with the Minister of Agriculture and also with the Minister of Mines and Resources. In my district this year we had a worm that some people call the army worm. We had it last year too. I believe the province call it the tent caterpillar. It was certainly on the march. They travel as close together as my fingers and travel at such a rate that they could cross the road nearly as fast as a turtle. They just jammed the highways. They travelled into the woods, and before half an hour had passed after they crossed the road, not a leaf would be left on any of the trees. I believe this department should find some ways and means of killing that worm. The government was asked if they could do anything to help, but nothing was done. Some people suggested spraying from the air. But you cannot spray from the air in populated districts, especially in the summertime when tourists are there.

The minister mentioned the fact that he was going to confer with the provinces. He did not say that he had conferred with them. I wonder if he would say whether he has already done so, and what they intend to do in this matter.

There is one point which has not been mentioned so far. It is the fact that if the forests are thinned out, as they have been in the last fifty or one hundred years, and that thinning out keeps up, we shall have nothing at all with which to attract United States tourists. If we did not have trees along our river banks and along our lakeshores the fish in those rivers and lakes would not live because they depend on the slow seepage of water into these rivers and lakes to get the food which they require. It has been found in places where the river banks and lakeshores have been cleared of trees that the fish have eventually disappeared. Has the minister talked to the provinces? Where does he intend to set up nurseries? Will they be set up in conjunction with the provinces, or will they be set up on dominion government land?

Mr. Gibson (Hamilton West): I did not say that government nurseries were to be set up anywhere.

Mr. Fraser: Should they not?

Mr. Gibson (Hamilton West): As I pointed out originally, the control of natural resources is first of all the responsibility of the provinces. We had dominion forests in this country and in 1930 we turned them over to the provinces for their control and management. Therefore it was realized that the dominion government is not primarily responsible for the development of national forests, although we are keenly interested in the preservation of the forests and we want to do what we can to assist.

The hon. member for Peterborough West asked if we had consulted the provinces. We have had close co-operation with the provinces, and I can say definitely that they were consulted as to the provisions of the bill. We have had close co-operation with them, and we intend to continue it. The bill founded on this resolution will provide for agreements with the provinces to assist in mutual projects to protect and to develop the natural resources which are primarily the responsibility of the provinces.

Mr. Fraser: Does the minister think that it would be wise at once to get in touch with the provinces and consult with them? The minister's department has had no experience really in regard to forests, and the provinces have. The minister just said that the federal government had no responsibility for national forests. They certainly have some responsibility for national forests.

Mr. Gibson (Hamilton West): I did not say we had no interest in the national forests. I can assure my hon. friend that the officials of the forestry branch are in close consultation with the provincial authorities in the various provinces. They have been working together dealing with forest pests. We have not only the spruce budworm but various diseases that are attacking our forests. Our experimental stations are working in close co-operation with the provincial authorities in order to find cures and to assist in preventing damage that will develop in our forests if no action is taken. The same thing applies to fire protection. We realize that it is a great expense to the provinces to deal with that alone. I am quite sure that the co-operation which has existed in the past will be continued by our officials in the future.

Mr. Adamson: This resolution deals with the whole ecology of our forests. The forest, whether it is provincial or federal, is like the king, indivisible. Likewise, the impact on the whole forest economy is a total impact on the economy of all of Canada, which cannot be overestimated. For that reason the bill, founded on this resolution, will be welcomed by all sides of the house. So far the debate has done one thing. A large number of members have spoken and they have each posed a different question. In many ways the questions were technical, dealing with reforestation, cutting, pest control, fire and its effect on the water resources of the country.

I want to make a suggestion to the minister. It arises out of the debate we have had this afternoon. In many ways this is a highly technical question. It is not a question on which there can be any political difference of opinion. Every hon. member is as jealous of the forest resources of Canada as any other hon. member; therefore I do hope that when the bill gets into the committee stage the minister will allow it to go to the committee on mines, forests and waters. I make this suggestion specifically so that in the committee we can hear the expert opinion of the pulp and paper industry, the conservation authorities, the provincial forestry authorities, the large timber operators on the Pacific coast, and people such as the wildlife conservationists. All these authorities and all these people have a vital interest in the forests. They all have a special problem. If I may say so, their problems in the main are technical. It would be a great advantage and help to the house if that evidence could be adduced in the committee. It would be a great service to the country to have evidence given by experts in that committee. For instance, we could have information on a comparison between Canadian and Scandinavian practices with regard to conservation, cutting and reforestation.

The matter of the water table destruction is important, that is, the ever decreasing and ever deepening level at which water is found practically all over the country. Co-operation with the new river valley authorities set up by the province of Ontario is important. That is a new act passed by the Ontario provincial authorities setting up what are known as river conservation authorities. They take one complete river and plan the conservation of it. Methods and remedies such as the replanting of trees, contour plowing, construction of storage dams and the restoration of the normal flow on the river are used. The most glaring example, and one on which much work has been done in this connection, is the Ganaraska river and now the Thames river near London in western Ontario. As a matter of fact, a very active conservation department is in operation under the Ontario provincial government at the present time.

There is the question of soil erosion and of the value of farmer's woodlot. Then there is the old forest reserves and national parks act. Will it be repealed? Certainly, in many ways, it needs amendment apart altogether from the bill which is to be founded on the resolution we are now discussing.

Then we come to the question whether it is advisable to set up a forest products laboratory such as the forest products laboratory in Madison, Wisconsin, where a great deal of study and research is being done on the use of all kinds of wood products, for example, the use and the salvage of what were waste products such as sawdust and bark, and other waste products which used to be burned. There is the question whether it is feasible to set up such a laboratory in Canada so that the efficiency and economy of the whole wood products industry may be improved. While I understand that stumpage, and dues paid by owners of timber limits, are provincial matters, it would be interesting to know how far that money would go to rehabilitate the land and to replant the forests so that the crops of trees might be continuous, and the land might not be exploited. The forest is a continuous asset; it must not be used as a rich resource to be exploited by the first man or company on the scene.

The restoration of the forest covering in the old and settled parts of Canada is one of the most important matters with

which we could deal. Soil erosion and the resultant destruction of wildlife, the increasing incidence of fires, the destruction of rivers, and the fact that the percentage of farm lands under forest covering has been greatly decreased, far below the limits of safety, are indications of the perils and problems which beset large areas of Canada.

I refer to the importance of forests, not only to the great forest areas of British Columbia and northern Ontario and Quebec, where the forest product industries are located, but more particularly to the importance of forests to farmers and others in the central and southern parts of Ontario and southern Quebec.

These may be technical matters, but there are people in Canada who have the answers. Parliament would be rendering a service if, for these reasons alone, this bill were sent to the committee on mines, forests and waters, so that every hon. member and the people throughout the country may have explicit, accurate and complete information on the vital problem of preserving our Canadian forests.

Mr. Graydon: Mr. Chairman, I do not desire to delay the committee long, but there are one or two points which I should like to bring to the attention of the minister and which in my view are germane to the subject under discussion.

First of all I did not think the minister gave a clear answer respecting the negotiations carried on or the discussions held between the dominion government and the representatives of the provinces. I mention this only because a few moments ago the Prime Minister, answering a question with respect to the introduction of housing legislation at an early date, indicated that one of the reasons the measure had not been proceeded with earlier was that he did not want the provinces to learn for the first time some aspects of the dominion government's point of view in any legislation which might be brought down. He indicated, in other words, that he was anxious that the provinces should have a fair opportunity to discuss the whole matter before legislation was brought to the house.

In expressing agreement with the principle of the resolution, I wish to have it understood that I believe it is important that in all matters such as this, where it is the intention of the dominion government to co-operate with provincial jurisdictions, the dominion should be very careful to lay the groundwork well in the first instance, so that there may be no reason for a lack of co-operation at a later time.

I have no doubt our forests are assets which present a challenge to the minds of every member in the house and of our people generally. I remember in my earlier years attending a public meeting in Ontario and hearing the late Hon. William Finlayson, the then provincial minister of lands and forests, deliver a speech. I believe that would be some time in the twenties. In that speech he referred to our forests as a crop and said —and I agree with him—that too often we have regarded our forests as a necessarily wasting asset instead of handling them as we would ordinary field crops. He pointed out that we would not think of planting a grain crop in the agricultural areas, and then proceed to harvest them without doing something about the next crop. He added that in some instances it took more than fifty years for those crops to develop.

I remember clearly the response to that suggestion by an old gentleman from a farming district in the county of Peel. This old gentleman, whom I knew well, sat in the front seat of the meeting. I hesitate, in the presence of such a highly developed and sensitive group of gentlemen, to use his expression; but the old gentleman said, "Mr. Minister, did you say fifty years?" and when Mr. Finlayson said that he had, the old gentleman said, "Well, to a farmer like myself that seems to me like a damned slow crop".

I believe that the pioneering work done at that time did create in the minds of the people generally the thought that, after all, the forests must be regarded as a crop, in the ordinary sense of the term. If I were to offer any criticism of the resolution it would be that perhaps we had begun too late to deal with this great asset, this important heritage.

I was looking up a few figures a short time ago and, while I have not all of them up to date, the ones I have indicate that we have in Canada three-quarters of a million square miles of productive forest lands. That, in itself, constitutes a challenge in the matter of conservation. It has been pointed out that ninety per cent of the forest areas in Canada are owned by the crown either in the right of the province or in the right of the dominion. I have no doubt the minister will agree that that means that a move of this kind is made that much easier by virtue of the nature of the ownership of those forests.

Figures show that in the past the dominion government has spent less than half of one per cent of the revenues derived directly or indirectly from the lumbering industry on the conservation of our forests, and general expenditures in relation thereto. When one

realizes that out of every 100,000 feet of lumber cut an additional 40,000 is lost through fire, insects and disease he must have some understanding of the importance of any measure which, working co-operatively between the dominion and the provinces, will bring to an end at least some of the wastage so apparent in this great national heritage and asset.

In our section of Canada, as the hon. member for York West pointed out a few moments ago, a section which has been settled for perhaps a longer period of time than some others, the questions of soil conservation, flood damage and flood control have been engaging the attention of our provincial authorities.

I never could see eye to eye with the dominion government—of course this is not the first time—in its policy toward the river authorities which were set up to deal with the Thames, the Ganaraska, the Etobicoke and other rivers. I have often wondered why they did not take advantage of the opportunity afforded by the provincial legislation to bear part of the expense of operating those projects. The provincial legislation which was passed about two years or more ago provided that the municipalities immediately involved would pay 25 per cent of the cost, the provincial government 37½ per cent and the dominion government 37½ per cent. Perhaps the minister is unaware of the long negotiations that took place because the representations were not made to his department, but the dominion government declined to pay anything toward the cost of operating the various authorities set up. The result has been that the provincial government has had to bear 75 per cent of the cost of the works that were undertaken, while the municipalities have paid for the balance.

I am glad to see that there is an indication that the dominion government has become conscious of the necessity of working hand in hand with the provinces in a great and forward-looking venture for the purpose of preserving this most important, although slowly developing crop, and seeing that in the days that lie ahead we shall not have wasted this great heritage that is ours.

Mr. Stuart (Charlotte): Mr. Chairman, I feel that one of the greatest menaces to our forests—I am referring now to my own province and county—is the operators themselves. It has been asked whether this legislation will invade provincial jurisdiction. In New Brunswick our forests have been mismanaged and today it is necessary that the federal government come to our assistance.

In my own county the method of logging 25 years ago could be styled as a horse-and-buggy method. If we had to depend upon that same method today our mills would be closed because it is now necessary to haul logs as far as 100 to 150 miles in order to get supplies to the mills. The land in the immediate vicinity of the mills has been cut and slashed and the result is that nothing is left. I am referring now to crown and privately owned lands in my county.

I have walked through tracts of land in the county of Charlotte and have noted how they were crisscrossed with roads that had been dug with bulldozers through the woods. To my way of thinking that was hardly necessary. It will take at least 50 years or possibly 100 years before anything worth while can be grown on that land. I know of one particularly nice stand of spruce in my county that was sold two years ago for stumpage. I know quite well the gentleman who cut that off. He was instructed to cut everything that would make a two by three. The result was that what had been a fine piece of woodland was nothing but waste and would be nothing but waste for another 50 years.

I believe in free enterprise; but my thought is that, though you may give all the assistance you wish to the provinces, until there is some form of forest management in the provinces it will be a waste of time and good money. History shows that those European countries which have had planned forest management have forests that are more valuable today than they were thirty or forty years ago, but you cannot find that situation in New Brunswick.

The large companies have gone in and cut and slashed and destroyed without any thought of future generations. If the federal government feel that they are in position to help the provinces there should be some method evolved whereby this destruction will be made impossible in future. We now have members in the house from Newfoundland, a province which is sometimes referred to as backward. However, from the information I am able to gather, they have a much better system of forest management than exists in any of the provinces of Canada. They are protecting their forests.

It might be said that when the government steps in and tells you that you must not touch this or that in the forest we would be getting away from freedom of action, but I think this industry has been brought to a position where some means must be found to protect it if it is to be carried on in the future.

I would think that the people who would be more interested than any others in the

preservation of our forests would be the operators themselves. If they would agree to some plan for the preservation of our forests, I think they might be in position to ask for federal assistance. If assistance is going to be given and the operators still allowed to cut and slash and destroy as they wish, it will give those citizens who are providing the funds for this purpose little encouragement to support such a subsidy.

Mr. Gauthier (Portneuf): Mr. Chairman, I am glad to see that the hon. member for Quebec South is in his seat. I know that he is better qualified to speak on this subject than I, but I am going to say a few words and I know that as he is a good friend and citizen he will not make any remarks. I am not an expert on this matter but I do want to take part in this debate, speaking only as a citizen who is anxious to see developed a general offensive which may result in a victorious battle against fire, insects, wastage and perhaps apathy in some quarters, the result of which is destroying slowly but surely one of our greatest assets.

My remarks will be confined entirely to personal observations. Not being an expert, as I have said, in order to sustain my contention I shall have to rely upon what has been said by those whose goal it is to preserve our forests against devastation by the means to which I have just referred.

Many people who are members of protective associations, forestry associations, the Canadian pulp and paper industry and so on are constantly looking for new designs and methods which may be used to develop a program which could be studied and perhaps finally accepted by the various provincial governments. Concerted action may be the successful means of giving the assurance of a new era in the protection of our trees, the continuance of our water power and, to a certain extent, the permanent irrigation of our soil. Some have proposed that a national congress should be held, but I suggest that there should be a dominion-provincial conference to deal with this matter and study it carefully. The apathy of our population may prove disastrous if even the layman is not interested and leaves the job to be done by others.

I often have the privilege of enjoying fishing and hunting trips in the Laurentides. My county is divided into two parts from east to west by the Laurentides, these lovely and enchanting mountains, the oldest in the country. I have often noticed the lack of cautiousness shown by some people in the handling of camp fires, matches and so forth. We will never know the loss suffered by the taxpayers of Canada because of carelessness and lack of proper education. People should at least be willing to observe the warning posted in that forest. They only have to read the posters issued by the different associations and governments by the thousand and meditate on the meaning of one sentence that can be read on them, namely:

One tree can produce one million matches; one match can destroy one million trees.

But how many read it, and if they do so how many think of it and for how long?

The trouble lies in the absence of the program of widespread education I was advocating a few moments ago. Preventive medicine has learned that education must start at home with the help of the father and mother so that our children will know where danger lies. Prevention of forest destruction by fire and insects should begin at home and be continued in the primary and secondary schools. Naturally when a child grows older he is inclined to forget, and if public opinion is not aroused it will endanger and probably render impossible what I might call, when I speak of reforestation, the resurrection of the Canadian forest.

The arousing of public opinion is urgent. I hope that the step taken by the Minister of Mines and Resources will strike the right note, show the way, and provide the necessary incentive so that the march towards realization will be on for good. I urge the members of the house to look carefully into the wells of information given to us by the Canadian Forestry Association. Not being an entomologist I will not discuss the loss the forests of Canada have suffered from insects, but I will say a few words about wastage. Walking in the forest I often have deplored the enormous quantity of timber lost by careless exploitation. The forestry association tells us that five hundred million cubic feet are wasted in logging each year, and that you have to add to that figure four hundred million cubic feet wasted in sawmill operations. You will see what that amounts to in the depletion of our forests.

In co-operation with the provinces we should find a way to use waste timber of all dimensions which is left on the ground and provides, if not cleared out, a wonderful centre of culture for insects and fires. In the wintertime many poor people need fuel wood. Even in the best managed country of the world there will always be poor people. My proposal is to form an organization whose function would be to collect this lost timber, haul it out of the forest and forward it to charitable institutions in various communities so that the poor would be provided with

the fuel wood they lack. With the help of the various governments interested, Canadian Forestry Association contractors, jobbers and others, we might come to a point where it would be possible to work out a system to give, to those in need, fuel wood which otherwise would be left to the ravages of fires and insects. I think I could see from the remarks of the minister that he had in mind the elaboration of a general program of research and education to be carried on co-operatively by the federal and provincial governments.

Let us follow the example of a highly industrialized nation which years ago climbed the ladder of fame by its industry. They left nothing untouched; they created something out of almost nothing and came to a point where an industry was the pivot of world industry. If an insane leader had not misled that nation her potentiality would still be a power to deal with. I refer to the German nation. Let us be industrious and use the waste, reference to which is found in the pamphlet sent to us by the Canadian Forestry Association, and which is entitled "The Case for Forestry in Canada". They show that the waste from fire, insects and disease is eight hundred million cubic feet annually, and they go on to say:

> This loss can be greatly reduced by better protection and education.

I stress the reference to education. It should be enlarged and forced into the minds of our people, especially our children. The pamphlet continues:

> Waste in utilization.
> Logging waste .....500 million cubic feet
> Sawmill waste .....400 million cubic feet

If we were as industrious as the German people we would not lose that waste. We would bring it out somehow by means of some kind of organization. It takes only good will, co-operation, understanding, and an absence of political purposes, to form an organization of that kind so that we can use every piece of that timber that we see in the forests, which is now good for nothing and is lost to the population. It is only good for the insects and for fires. We could use it for the benefit of our population. We all remember that before the war the Germans used to manufacture tin toys for the little ones out of tin cans. We should follow that example, and I am sure that everyone in the country will be satisfied. The children will be glad to know. It would be a lesson in patriotism for them to know that a great deal of our timber is being used for their own benefit. To that end we need an example from the government and these associations.

I hope that the program the minister wants to put into effect will be followed by everyone, and that the march is on for the recovery and resurrection of our Canadian forests.

Mr. Church: I wish to support the resolution of the government. There was never a time in the history of Canada when a national forest policy was more needed. We are a nautical people, and it took the second world war to show the country the necessity of conservation of the forests on the part of federal, provincial, municipal and other public bodies. Prior to the second war they were depleted by almost fifty per cent. The historian Parkman devoted several pages of his history book to the forests of our country and the need to preserve them for future generations; but, as I have said, they have been squandered at an alarming rate.

In speaking on this resolution I want to congratulate the Canadian Forestry Association on the good work it has done in this connection. This is one of the most constructive steps to be taken by the government at this or any other session. There never was a time in the history of Canada when we were more in need of a national policy to protect our forests. Parkman referred to the Indians and Eskimos away up in the northland, and said there was not a river entered or a cape turned but the way was led by an Indian or Eskimo. They were with Frobisher, they were with Hudson, they were with Mackenzie, and they were with Fraser when those men explored these great rivers. They helped show the people of southern Canada what a great heritage we have in our forest resources.

This resolution also refers to other matters which I am not going to mention, since I am going to speak only for three or four minutes. It provides that the government will—

> —exercise control and management thereof and construct works therein; establish and maintain forest research laboratories; assist provinces or owners of forests and enter into agreements respecting the protection and development of forest lands.

That all links up with what Parkman had to say. The old schoolbooks used in both the public and separate schools of this country contained large pictures having to do with these matters, and the subject now has reached the universities, where I am glad to say they have research and forestry departments. We certainly should teach the rising generation something about the history of their own country, the wealth of vast forest resources, and the influence the forests have on water power, lumbering, logging and forestry.

This resolution also deals more or less with water power. We have a potential of

45,000,000 horsepower in this country, of which only one-seventh has been developed at the present time; and part of that is only seasonal, where some industries require it for only three or four months in the year. The great development in hydroelectric power brought about by the second world war has helped to fulfil the dreams of those who have been associated with this project for many years past and wanted a national hydro policy for Canada.

The history of the timber industry in Canada goes back for many years. Away back in 1885 loggers were taken from the city of Ottawa and other parts of Canada all the way to the Nile river, where they assisted in the relief of General Gordon at Khartoum. We are a nautical people, and Providence has provided us with a magnificent chain of rivers and inland streams and lakes. We are also fortunate in that we have great deposits of some twenty-five or thirty minerals; and for all these reasons we have long needed a national policy of this kind. If you turn to Houston's Annual, which used to be a standard textbook, you will find that much of the wealth of this country, including the timber along great sections of the Ottawa river, has been underwritten by and turned over to interests in New York city. I am glad that now we are going to develop a national policy for the protection of our own natural resources. During the last war, when we were giving minerals, lumber and many other things to Russia, and when we were told that from Puget sound north we had 760 miles of undefended coast, it was suggested that we should have a national policy of conservation. Now I hope that policy will be really developed. I remember when the harbour of Toronto was being developed, and we had to bring very heavy timber and logs all the way down through the Panama canal and up to Toronto for that work; and it was wonderful timber. If any hon. members visited the trade fair held in Toronto last May they must have seen something of the great importance of the timber wealth of our Pacific province to this country. As an example, Douglas fir and many other kinds of lumber are used in about twenty-six different forms in public buildings throughout the east, and in Toronto our public buildings, schools and national exhibition use all these; which shows what can be done by means of conservation.

I am glad to see this resolution on the order paper today. We have needed a national policy for a long time, and I hope now something will be done about it. I think a great deal can be done by means of education. We read of the great fires that occur in our timber lands and the wealth lost as a result; and it is appalling to realize how little is being done to preserve our forests for future generations. We have the greatest natural resources of any country on earth. Compared with other countries our forests represent unlimited wealth, together with our copper, zinc, platinum, gold, silver, asbestos, tin and other minerals. I believe the time has come when we should have a national policy not only for our forests but for our mineral resources, so that the wealth of this country may be safeguarded. It belongs to the people of Canada, and I believe that here we have a constructive resolution which will help develop in this country government of the people, by the people and for the people.

Mr. Harkness: I am glad the government is going to introduce a bill designed to assist in the conservation of our forest resources. During recent years there has been an increasing awareness on the part of the general public, on the part of people engaged in the timber industry and on the part of governments of the necessity for better methods of forest management and improved forest conservation.

I do not intend to go into those matters today, however. I saw something of the forests of Great Britain, Italy and northwestern Europe; and one has only to see those forests to realize that we in Canada have a long way to go to catch up with the countries of Europe in the matter of forest management, conservation, reforestation, and so on.

In his remarks today the minister, as far as I could gather, did not say anything about the first part of this resolution. He spoke chiefly of what this measure was going to do to enable the dominion government to assist the provinces and to work in conjunction with them. However, I am far from clear as to exactly what this bill that is to be introduced is to do. What is the purpose of it? I should particularly like to know what the first part of this resolution means:

> That it is expedient to present a bill to authorize the governor in council to establish as a national forest or as a forest experimental area lands belonging to His Majesty in the right of Canada . . .

And so forth. As far as I know, the only lands in the control of the dominion government are those in the Yukon, in the Northwest Territories, in the Indian reserves and in the dominion parks.

Mr. Gibson (Hamilton West): May I point out to my hon. friend that we have such lands as the Petawawa military area and some on military lands of that type.

Mr. Harkness: In addition to the areas I have indicated there are, then, the military reserves. However, the minister has already

pointed out that it is not proposed apparently to establish any of the Indian reserves as national forests or forest experimental areas. I should like the minister to tell us just what the first part of this resolution means. Where are national forests to be established? Is it proposed to establish a national forest in the Northwest Territories, or is it proposed to use part or parts of some of the national parks, such as Banff national park or Jasper national park, for that purpose? When those national forests are established, what is the purpose of them? Are they going to be used as part of a reforestation scheme or as examples, you might say, of what can and should be done in the matter of forest culture? Exactly what is the purpose of them? It seems to me that before the resolution goes through we should have a little bit more information with regard to the matters I have mentioned.

Mr. Higgins: Mr. Chairman—

Mr. Harkness: Is the minister going to answer?

Mr. Gibson (Hamilton West): Several questions have been asked. I was waiting to hear any other members who were desirous of speaking on the motion. The last speaker has asked what was the purpose of the act. In the first place we are, under the act, repealing an old act that has been on our statute books for a good many years and which dealt not only with national forests but with national parks; and we are bringing the legislation into line with the present program of the government. We also have five experimental stations on which forestry research is being conducted, and experiments are being carried on in the matter of forest conservation. This bill will not override the National Parks Act or the Indian Act, but if it is at any time later deemed advisable to declare some of the dominion lands to be national forests, it gives us power to do so. There is no immediate intention to do so. For example, we have an experimental station on the military area at Petawawa. While that land belongs to the Department of National Defence, through negotiations with that department we maintain an experimental station there.

The hon. member for Peel asked if we had had any previous consultation with the provinces. While I was not in this department at the time, I understand that the appropriate ministers of all the provinces except Prince Edward Island submitted a brief to the government as far back as 1943, asking practically for what is now provided for in this bill. Subsequently the matter was informally discussed with each of the provincial governments, so that they would know what it was proposed to include in the bill; and I am informed that the majority, if not all, have expressed strong approval of this measure.

Mr. Higgins: Before I deal with the resolution proper, I want to say that I thoroughly agree with it, but I should like to ask the minister who was the authority from the tenth province that was consulted in 1943. I should not imagine there was such a person. I should be interested in knowing if such were the case.

As to the resolution itself, it entails the presentation of a bill. I cannot imagine anybody opposing the resolution. As I am sure all hon. members must know, forty per cent of all United States dollars earned by Canada come from the Canadian pulp and paper industry. I believe that some one-quarter of a billion dollars is paid out annually in wages in Canada by that industry. Three out of every five newspaper pages printed anywhere in the world are printed on Canadian paper or on paper made from Canadian pulp. If that fact in itself is not sufficient to indicate the importance of the bill which it is proposed to introduce, as indicated by the minister today, I do not know what more hon. members would require. To me this measure is extremely important not only for Canada as a whole but particularly for what one of the hon. members today termed "the backward province of Newfoundland". I may say that we do not regard Newfoundland as being backward, and we shall regard this term as being used in a humorous way.

I might add, however, that the greatest single contribution to the Canadian economy, as a result of confederation, was the pulp and paper industry of Newfoundland. This industry brought into the Canadian economy some $40 million. That is no small amount when it is considered that it came from a province with a population as small as that of Newfoundland, particularly when it is recognized that sixty-five per cent of the newsprint produced in Newfoundland is sold in the United States for United States dollars. It is difficult these days to get away from the Yankee dollar.

In passing I should like to refer to a couple of statements made by the heads of our pulp and paper industries in Newfoundland. I hope it will not be deemed inappropriate, because I want to deal with them a little bit further later on. As a result of devaluation I feel that hon. members should know the views of these important people; at least they are important to us. This is a C.P. dispatch dated September 30, from Corner Brook, and reads as follows:

Sir Eric Bowater, president of Bowater's Pulp and Paper Mills here, biggest in the world—

I may say that the pulp and paper mill at Corner Brook in Newfoundland is the biggest single paper mill of its kind in the world.

—yesterday expressed the hope of obtaining more United States markets for newsprint in view of the expected loss of sale to the United Kingdom.

Sir Eric was commenting on a report from London that Britain proposes to switch her huge newsprint imports from the dollar markets of Canada to soft-currency sources in Scandinavia.

He said his company now is planning to increase production to meet further orders agreed upon for delivery to the United States in January, 1950.

He warned mill workers, however, that costs of production must come down and quality improve if the company were to expand sales in the highly competitive U.S. market. "The U.S. publishers can assure us a market only if the price is right," he said.

On the sulphite pulp situation, the president said markets in the sterling area have already been lost, but it was thought an outlet might be found in the United States.

That is the Corner Brook mill. Here is the Grand Falls picture:

The entire Canadian newsprint industry may be on short time next year, E. M. Little, president of Anglo-Newfoundland Development Company, said yesterday.

The president of the newsprint firm, commenting on a London report that Britain will buy her newsprint in Scandinavia instead of Canada to save dollars, said in a statement:

"The American market is at present good, but if the business decline in the United States continues, newsprint must eventually be affected . . .

The whole of the Canadian industry may be on short time next year, but to what extent is difficult to forecast as yet.

Conditions are not bright but this company must become and continue to be competitive. As money becomes available this mill will be modernized."

The reason I am quoting these statements is that a measure such as the proposed bill will be of great value in bringing down the cost of the production of newsprint. I take it that that is part of the program that the minister would contemplate in the investigation that he proposes to have made by the various research boards to be set up.

I would recommend that hon. members read the September 17 edition of the *Financial Post*. I believe every hon. member has been provided with a copy. I was. It is of great interest to anybody who is concerned with the pulp and paper industry and the value of that industry to the economy of Canada. One excerpt I should like to read is a statement by Mr. D. W. Ambridge, president of Abitibi Power and Paper Company, which was made to a pulp and paper meeting earlier this year. He was asked a question as to how much should be spent by industry on research if it is to do a proper job. He said that $6,400,000 annually should be spent by industry in research. That is entirely apart from the government assistance. There are five more points to which he referred and I should like to read them to the committee. They are as follows: Here he is referring to starting points for research:

Wasted trees—millions of trees die each year from old age or disease or fire. Some are inaccessible, but most should not have perished. Research is needed to develop methods of saving them—new cures, new fire suppression methods, new uses for everything the forest grows instead of only the trees the industry can most easily use.

Waste liquors from chemical processes—usually disposed of, they carry away with them untold quantities of various materials which will some day be used. Sugars in the sulphite liquor are now being utilized in alcohol and yeast manufacture.

Bark—Mountains of bark are lying unused beside mills, yet in Europe bark is a valuable ingredient in a variety of products.

Lumber—Hundreds of small sawmills make lumber out of small logs, often waste 50 per cent of the wood in the tree. Even the finished lumber itself is often wasted; on construction jobs, for instance, where lumber used for concrete forms is usually burned afterward as part of tidying up.

Other fields for research—Development of efficient mechanized equipment for woods operations, including thorough clean-up after well-planned cutting, in order to make use of the slash, leave behind best possible conditions of growth for young trees and seeds. Application of the latest developments in science to the paper-making process. New by-products.

What's being done about these problems. On an industry basis, one of the most important factors in pulp and paper research has been the pulp and paper research institute which is a co-operative venture founded in 1928 by the industry in conjunction with the Canadian government and McGill university.

The minister referred to this institute. In the same article he said that up to 1947 the industry gave $50,000 a year to this research institute, but it is now giving $100,000 a year. When the minister replies will he tell us what the government is contributing to that institute and how much is being paid by industry?

In conclusion I should like to quote from page 52 of the same paper:

Pulp and paper men say that a national forest policy is necessary and that its needs are few and relatively simple.

First, they say, Canada should have complete air surveys and maps of the forests. Today their extent is not even completely known and there is no comprehensive and proper estimate of forest increment in Canada.

Secondly, Canada needs to check the insects and diseases which periodically reach epidemic proportions. Also greater effort is required to prevent the ravages of fire. Lightning is constantly causing fires in crown land forests and forest operators are constantly threatened by fires in unoccupied forest areas adjacent to their limits.

Finally, industry men say that Canada should increase the extent of its research work on the forests and on forest products.

Both federal and provincial authorities have through research contributed to the development of agriculture, minerals, and fisheries, but the forests receive less attention. Pulp and paper men say that the forests require at least as much interest and attention as are given to other valuable national resources.

That, Mr. Chairman, rather sums up the picture as far as I know it. But the value of our forests is important to the economy of Canada, and its value to the province of Newfoundland is so great that one can do nothing but most heartily endorse the resolution. Since we have problems which are peculiar to our province I should like to ask the minister whether it is not possible to place one of these research bureaux—in fact anything that is envisaged in this resolution —in the province of Newfoundland. We have nothing in the maritime provinces. We have one in Vancouver and one in Montreal and there is one in Ottawa. Certainly, the maritimes are entitled to one, and naturally the newest province, with all its problems, with all its worries, with the value to it of the forest industry, should be entitled to one of these research bureaux.

Mr. Gillis: After listening to the discussion I have wondered just exactly what the resolution means. As I understand it, the minister has merely moved a resolution for the purpose of introducing a bill. It remains to be seen what that bill will contain. This is not the place for a major speech. I am going to reserve whatever criticism I may have of the bill until it comes up for second reading. I am just wondering what the minister or his advisers had in mind because of the way the resolution is worded. Although a wide discussion has been permitted I cannot see where the resolution has anything to do with the pulp and paper industry. The fact of the matter is I cannot see that it is intended to bring in a bill that means anything if the wording of the resolution means anything. I say this for the minister's benefit. I hope that it is not the intention of the bill to set up a central experimental board for the purpose of providing research facilities for the benefit of those who exploit the forests of this country for profit. If the wording of the resolution means anything, that is my conception of it. It has nothing to do with reforestation; not a word is mentioned about that. It has nothing to do with conservation. It has nothing to do with the pulp and paper industry. So far as I can see, it is the intention merely to provide a small experimental area somewhere for the purpose of spending the government's money to carry on research for the benefit of those who exploit the forests for profit.

I cannot agree with those who take the position that it is a wonderful thing for us to be sending the real wealth of Canada to the United States or to some other country so as to bring in American dollars. Unfortunately that is the position we are in today; that is one of the fallacies of the system. I believe however the day is coming, and coming pretty fast, when that will be corrected.

Mr. Gibson (Comox-Alberni): You cannot eat newsprint.

Mr. Gillis: But we can process our pulp in this country, and create an industry here which will pay wages to our workers. Except in Newfoundland, the maritime provinces have very little by way of a pulp and paper industry. I am safe in saying that 80 per cent of the pulpwood from Nova Scotia and New Brunswick crosses the border to be processed in the United States. The wages are paid over there. The product comes back to Canada, and we pay a high price for it. I say it should be processed here.

Dollars are not the real wealth of a country. We send our real wealth out of the country when we export our products. I hope that when the minister brings in his bill the areas he intends to set up as research laboratories will have something to do with fire prevention. I trust there may be some definite recommendation in that connection, because the greatest destroyer of our forests is fire.

Secondly, I hope that if and when this area is developed a part of the research will deal with ways and means of processing our own lumber, building up a pulp and paper industry of our own, putting our own people to work and making proper use of our own resources. If the federal government is to provide funds for that purpose, then I hope the minister will tell us to what extent the pulp and paper industry, or any other industry in Canada which may gain from such research, will be taxed. The operator pays stumpage. If the federal government intends to set up these research facilities, to what extent will the industries contribute to it?

I trust that when the minister brings in the bill he will give on second reading some information as to the mechanics of operation, because I want to have the answers to these questions. That is why I am asking now, so that fire prevention, reforestation and all these other matters may be taken into consideration when this area is being developed.

Mr. Dumas: Mr. Chairman, as a forester I am pleased to see the interest taken by hon. members in the legislation, because in my view the proposed measure is an important one. Forest conservation is of major importance to the lumbering industry. I cannot agree with the hon. member for Cape Breton South when he says that in this proposed legislation he sees only the installation of an experimental station; because the resolution states that the government is anxious to

co-operate with the owners and with provincial governments so as to enter into agreements respecting the protection and development of forest lands.

I must say as a forester that in the past I have had occasion to see evidence of the co-operation which has existed between the federal and provincial governments, and the different owners of timber limits and private lands. The measure now before the committee has been prepared because of the encouragement given to the exploitation of the forests in a scientific manner. The measure looks toward the improvement of the management of forest areas for the purpose of conserving and perpetuating the forest empire in Canada, an empire which occupies more than a third of the whole area of our country and stretches from the Atlantic to the Pacific in a belt ranging from 600 to more than 1,200 miles wide.

It is said that the forests are the spinal column of Canada's economy, and they form a great source of wealth for our country. Our forests offer a great attraction to tourists, and a sanctuary for wildlife. The annual wealth produced by our forest industries is tremendous. The annual harvest of forest products, plus the value added by manufacturing, is over a billion dollars—and this figure does not include the transportation of the various products, or the revenues from tourists, hunting or fishing.

One of the most important characteristics of our forests is that they are a product of the soil. Like the farmers' crops, our forests grow; unlike the farmers' crops they take many years before they are ready for harvesting. The science of forestry is based upon the principle of treating the forests as a crop during the growing period, and harvesting that crop in such a way that another will follow.

This is called silviculture—and is the tilling of the forests, just as agriculture is the tilling of the land. The job of the forester is to practise forestry, and to produce from the forests the greatest possible quantities of the most valuable products in the shortest time and at the lowest possible price.

In many parts of the world the only effective way to reproduce forests is by planting, what we call artificial reforestation. Fortunately in our country conditions of soil and temperature help natural reforestation. It is important however that we do more artificial reforestation, especially near unproductive lands located in the vicinity of pulp mills or saw mills. By passing this legislation I think the government will help the provinces and the different owners of timber limits.

(Translation):

Mr. Chairman, I do not propose to speak at length on this subject. Since my profession is related to the timber industry, however, I should like to say a few words.

I am sure that in all parts of the country, everyone interested in lumbering is glad to know that the government intends to introduce this legislation now. I would suggest to hon. members that they secure, if possible, a copy of "La Forêt québecoise", especially the July-August and the September, 1948, issues, and read therein the pastoral letter of His Grace Monsignor Labrie, bishop of the Gulf of St. Lawrence. In his letter, Monsignor Labrie stresses the importance of the forest. He points out how we have neglected the forest, the source of one of our largest industries. I wish to quote a few paragraphs from the letter, as published in the July-August, 1948, issue. Speaking of the forest, Monsignor Labrie quotes Professor B. E. Fernow, LL.D.:

"It can be said without fear of contradiction," wrote Professor Fernow, "that next to the products necessary for the sustenance of human life nothing is so widely used, so essential in domestic and public economy as timber. It is impossible to conceive of civilization without lumber, large quantities of lumber." Those words, written in 1906, are still amazingly timely. In spite of staggering development in other spheres of industry, new techniques and uses, as well as transformations of a physical and chemical nature, the lumber industry has maintained its enviable position in the economy of our country.

We must protect our forests. Bishop Labrie, who is an authority in that field, mentions elsewhere in his pastoral letter, some of the steps initiated by various governments. I repeat his words, although I have no intention of praising our governments. Here is what Bishop Labrie writes:

Before setting forth the duties of each and everyone, we wish to commend what has already been done. As early as 1903, Professor B. E. Fernow, LL.D., stirred public interest in the matter by his series of impressive lectures. Since then, government authorities and lumber companies as well as universities, have spent large sums of money for the establishment of schools of forestry. In addition, they have sent engineers, specialized in forestry, to study the organization of the magnificent European forests.

Bishop Labrie, who assuredly held no brief for any government, obviously recognized, however, to what extent various administrations and other organizations had helped the forest industry. I fully appreciate that a great deal remains to be done in this respect, because forests are not only a national asset but also a national problem, one that should

be approached from the national standpoint by co-operating with the provinces and with owners of timber claims.

I am glad the government is introducing such legislation. The wording of the resolution clearly indicates the procedure required to implement this bill which will contribute so substantially to the conservation of Canadian forest resources.

(Text):

Mr. Knowles: Mr. Chairman, it seems to me that before this resolution passes a word of thanks should be expressed publicly to the minister for the most interesting and well put-up volume on the native trees of Canada which all of us in this house received with his compliments a few days ago.

Some hon. Members: Hear, hear.

Mr. Knowles: This book is so well done and does such a good job of interesting people in the trees of Canada that a way should be found to get it into all the schools of this country. I would guess that a large number of those which have been distributed to members of parliament have already found their way into some of the schools in the different constituencies, but the fact is that all of us have not just one but many schools in our constituencies. I am sure it would do a great deal to increase interest in Canada's trees and forests and would pay dividends in the long run if the government spent a thousand dollars or so in providing sufficient copies to hon. members to be sent to the different schools in their constituencies. If the minister is afraid that we will not send them to the right schools we could send the names of the schools in our constituencies to the minister.

Mr. Gibson (Hamilton West): I am not worrying about that.

Mr. Knowles: With each book was enclosed a card saying that additional copies could be obtained from the King's Printer for $1.50 each, and I might point out that this book has been most favourably reviewed by the press throughout the country, but I would doubt that that will result in many school boards going out of their way to buy it. I hope the minister will consider this suggestion. He will note from the applause that greeted my suggestion that it meets with the approval of hon. members generally.

I want to take advantage of this opportunity to mention another book on Canada's trees. This is not a government publication and I do not suppose the government could go out into the market and buy books of this kind for the type of distribution I have mentioned. The book I refer to was produced recently by a well known Canadian, Leonard Knott, and like his other books it is exceedingly well done. Leonard Knott is a Canadian who thinks that we have just as much of interest in this country as there is in the United States and he has demonstrated his belief by writing a series of books for children, including "The Children's Book of the Saguenay" and "The Children's Book of the Great Lakes" and now this latest one, "The Children's Book of Trees".

This book is well written and beautifully illustrated. I tried it out on a couple of young Canadians and I know it produces a real interest in this great natural resource that we possess. I wish there was some way in which that book, as well as the one put out by the minister's department, could be placed in every school of this country. They go very well together. The book produced by the department is more in the form of scientific treatise, while Mr. Knott's book is written in a more flowing style. It is addressed particularly to children but is good reading for adults, too. I am sure that these two books would do a good job of interesting the children and young people in our schools in this great natural resource.

The other comment I should like to make has to do with fire prevention. It seems to me we should pursue every suggestion that might help to eliminate the destruction of our forests by fires. My colleague, the hon. member for Cape Breton South, has already referred to the tragic loss by fire that we sustain every year.

In this connection I have been following the efforts that have been made by interested people in the United States and by some people in Canada to ascertain the extent to which cigarettes are the cause of forest fires. I understand there has been on foot for a number of years, particularly in the United States, a move to have eliminated from cigarettes saltpetre or such other chemicals as are put in them for the express purpose of making them burn faster. I do not happen to smoke myself so I cannot speak with too much authority, but I understand cigarettes do not last very long, and that apparently the tobacco people would not be too interested in anything that would make them last longer because then hon. members of the house would not have to buy so many more.

Mr. Gibson (Comox-Alberni): We would pick up longer butts.

Mr. Knowles: The whole idea which I am suggesting is that if cigarettes could be made in such a way that, when discarded, they would not produce fires so readily we might save ourselves a great deal of the loss that we now sustain. I am told that the matter

has been a subject of interest on the part of people in the United States for twenty or twenty-five years. I am also told that they have not made much headway yet. The interests on the other side—namely the tobacco people—are pretty powerful, but that is no reason for not proceeding at least with research.

Press reports indicated that this question was discussed at the annual convention of the association of Canadian fire marshals held a month or so ago. It was indicated that representations might be made to the federal government asking them to bring in legislation outlawing the manufacture or sale of such cigarettes as I have referred to, which are so ready a fire hazard. I asked certain questions about this matter on the order paper, but the answers I got on October 3 of this year, as found at page 439 of *Hansard*, were not very helpful. Accordingly I wrote to the office of the dominion fire commissioner and had a very interesting letter in reply in which I was told that, although the representations were not made formally by the association of Canadian fire marshals to the government, nevertheless the president of that association has been making such representations, and has suggested to the government that definite research in this matter be pursued.

I suppose that one of the places for that research to be done is the national research council, but I notice that the resolution now before us calls for research work as to our forests. I suppose that research in the main is towards developing ways and means of increasing growth, methods of reforestation, and so on, but it would seem to me that it would also be a legitimate subject of research to go into the question of the extent to which cigarettes are the cause of forest fires. If it turns out that those who are interested in this matter are right, and that cigarettes with saltpetre in them are a major cause of forest fires, surely it would be the part of wisdom for the government to bring in legislation to improve the situation. I hope the minister will give the same sympathetic consideration to this point that I am sure he will give to my suggestion about getting more copies of that beautiful book of his into the schools of the country.

Mr. Balcer: I should like to extend my congratulations to the minister on this beautiful book and to ask him a question. Can we expect a French edition of this beautiful work on trees to be published soon?

Mr. Gibson (Hamilton West): I am not sure as to that. I shall be glad to make inquiries and let the hon. member know if and when that publication will be available in French.

Resolution reported, read the second time and concurred in. Mr. Gibson (Hamilton West) thereupon moved for leave to introduce Bill No. 62, respecting forest conservation.

Motion agreed to and bill read the first time.

FISH INSPECTION ACT

FISH AND FISH CONTAINERS—MARINE PLANTS—EXPORT AND IMPORT REGULATIONS

Hon. R. W. Mayhew (Minister of Fisheries) moved that the house go into committee to consider the following resolution:

That it is expedient to present a measure for the purpose of regulating the inspection of fish and fish containers and of marine plants for export and import, and to provide for the appointment of inspectors and other officers and employees required for the proper administration of the act.

Mr. Gordon Graydon (Peel): On the previous measure I asked the Minister of Mines and Resources (Mr. Gibson) if he would not make his statement before you left the chair, Mr. Speaker. I believe on the present resolution some members desire to make their addresses while you are still in the chair, and I would ask the Minister of Fisheries (Mr. Mayhew) to be good enough to make his statement before you leave the chair.

Mr. Mayhew: Mr. Speaker, I am quite prepared to make a short statement on the resolution at this time, but I should like to point out that there will be a number of occasions later when opportunities will be provided to speak on the measure. We propose to have it sent to the standing committee on marine and fisheries when it reaches second reading. There will be an opportunity to discuss the measure at length on other occasions. I would hardly believe that we would want to spend much time on the resolution stage, again on second reading, and again when we go into committee, and then have a further discussion in the standing committee on marine and fisheries. I will make my statement now. It will be a short one.

During the past two years we have considered the revision of the present fish inspection legislation. Fish inspection is carried on under two separate acts. Canned fish inspection is under the Meat and Canned Foods Act; other types of fish are inspected under the Fish Inspection Act. It is with the latter act that I am going to deal. This act was passed in 1914 to take care of the problem of pickled barrelled fish. Since then it has been amended on several occasions. We again reached the stage when we found we lacked the necessary statutory authority to meet present-day quality control problems. There was also the question of the validity of the act itself from a constitutional point of view.

Therefore the present act has been revised with three purposes in view: (1) to provide for inspection of fish which moves in interprovincial and export trade; (2) to revise the regulatory powers to meet present-day problems; and (3) to amplify and simplify some of the enforcement procedure.

The provisions of the existing Fish Inspection Act are not confined to export and interprovincial trade but deal with inspection generally. The act covers inspection of fish whether such fish is sold within the province or outside the province, and it is here the difficulty has arisen. Inspection, if it deals only with fish that is sold within a province, is a matter for provincial jurisdiction. Some years ago it was thought that this problem would be overcome by getting the provinces to pass enabling legislation, so-called legislation by adoption. Several of the provinces, where the act has been applied, passed acts which in effect said: "We adopt this act as our own, in so far as it might deal with matters which are outside dominion jurisdiction". Since 1932, however, there have been judicial decisions which cast a doubt on the legality of such an arrangement. So it was decided that one of the things that must be done to put our house in order so as to be able to meet these problems was the revision of our basic inspection act.

Under the new act authority is sought for quality control and inspection of products which move in interprovincial and export trade. In connection with the revision of our legislation, we have had several conferences with provincial authorities, and before the revision was finally drawn up we had a conference with all the provinces. The officials of the fisheries divisions of the provincial governments agreed to co-operate with us and to recommend any necessary provincial legislation to cover any deficiency in respect of inspection, particularly at wholesale and retail levels, which is within provincial jurisdiction.

The second purpose, as mentioned before, was to extend the regulatory control under the act. Before regulations of any kind can ever be made the necessary statutory authority must exist. Parliament will be asked to pass an act giving the government the necessary power to meet the present-day quality control needs of industry. This does not mean that we are proposing at this stage any new regulations; we are merely seeking to establish the necessary statutory authority for instituting any inspection procedure whenever that becomes necessary. The industry will, of course, be more interested in the inspection regulations themselves that might be proposed from time to time.

Again I call attention to the fact that we will be in a much better position to discuss this bill—and I hope we will confine ourselves to the bill—when we have it before us.

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

Mr. Green: Before this resolution is reported I want to ask the minister a question which may not be strictly germane to the resolution itself but which is of great importance to the fishing industry. In the press this morning I noticed mention of renewed Russian competition in the market for canned salmon, particularly in the overseas market. If that report is correct the results may be extremely detrimental to our own salmon industry. Could the minister tell the committee just what is the position?

Mr. Mayhew: A couple of months ago we sold Great Britain 410,000 cases of canned salmon from the 1949 pack. That pack has not been completed yet, so what my hon. friend is worrying about now is not the 1949 pack but the 1950 pack, and already steps are being taken to see what can be done about that. With regard to the Russians coming into the trade to any greater extent than before, that is news to me. I have not heard of that, though they were in the British market last year.

Mr. Green: The dispatch appeared in this morning's *Gazette*, and it might be worth while for the minister to check on it. It points out that the Russians have devalued their money to correspond with the British devaluation, and it is expected that they will get into the overseas market in quite a large way.

Mr. Mayhew: I can assure the hon. member that the position will be watched very carefully, and that everything possible is being done to protect the interests of Canadian fishermen from coast to coast.

Mr. Higgins: Is it six o'clock, Mr. Chairman?

The Chairman: Shall I report the resolution?

Some hon. Members: Carried.

Mr. Green: This resolution has not been carried. The hon. member for St. John's East is on his feet. The government has no right to try to rush this resolution through in this way, and it is the privilege of the hon. member to be heard. It is six o'clock.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at eight o'clock.

Mr. Higgins: Before making the few remarks I intend to make on this matter, Mr. Chairman, and asking a couple of questions that worry me a little bit—I am sure they will not worry the minister—I want to take the opportunity of saying to the minister how greatly pleased we are with the co-operation he has given the fisheries board of Newfoundland and indeed how greatly the people of Newfoundland and the fisheries appreciate the work that has been done by him since he took over the office he now occupies.

I should like to remark, and I do not believe that it is hurting the feelings of anyone in this committee, that fish and fishery matters are of little concern to Canadians as a whole. This industry is more or less an orphan child of Canada, of interest to only a few of the provinces. I believe these provinces have been described as the "have not" provinces. I can assure hon. members that, with the entry of your newest province into confederation, you are likely to hear a great deal more about fish and fishery matters from this time on.

I am sure that if you will bear with me you will understand why you are likely to hear more about fish than you might be expecting to hear, because fish and Newfoundland have been more or less synonymous terms for a great number of years. In fact, I believe for practically four centuries Newfoundland's economy has been based on the fisheries and, to use a common term in Newfoundland, the fisheries are the backbone of the country. It was the fishery and all the business associated with the fishery that brought the settlers to Newfoundland, and it was the fishery that kept them there. When I speak of the fishery, I mean chiefly the cod fishery. As one of my friends boldly put it one day—and I certainly do not agree with him—it was a cod that brought people to Newfoundland, it was a cod that kept them there, and it was a cod that brought them to Canada. But I certainly do not agree with that remark in any way.

Up to 1894, practically ninety per cent of the export trade of Newfoundland was made up of fish and fishery products. That is not true today. The proportion now would be roughly as follows: wood products, approximately 48 per cent; mineral products, 26 per cent; and fishery products about 24 per cent. But that is not the true picture in any way, because the greater number of the population—that is of the wage-earning population—of the island of Newfoundland are engaged in the fishery. The hon. member for Grand Falls-White Bay would be much more conversant with the picture than I am, but I should think 48 per cent to 49 per cent of those capable of working are engaged in the fishery. That is a fairly high figure. You can therefore appreciate the importance of this industry to Newfoundland as a whole.

As I said before, up to 1894, and in fact for many years after that, dried fish was the main industry. The changeover from dried fish to fresh frozen fish has taken place only in recent years; it started some ten or twelve years ago. I might give hon. members a little bit of local history.

In 1939 the commission of government of that time made a contract with General Seafoods Corporation of New York. As a term of that contract they agreed to build a plant in a place called Lapoile, Newfoundland, which is in the district represented by the deskmate of the hon. member for Grand Falls-White Bay. The commission of government was to provide them with the sum of $200,000. They were to be given a monopoly for twenty-two years and they were to employ Newfoundland labour exclusively. The codfish fillets were to be imported into the United States free of duty. It was a beautiful proposition, as hon. members will readily realize, as far as we in Newfoundland were concerned. The only unfortunate thing that happened was that the fishing industry and those associated with it began lobbying. I believe the start of it was in Boston. The people there had powerful interests in Washington, and as a result the United States congress passed legislation which completely finished the proposition.

I mention this matter to the committee because Newfoundland fishing firms in the fresh fish industry are again faced with that same proposition. Only today I picked up a Newfoundland paper and on looking over the headlines I saw this one: "Newfoundland Fish Draw Protest". The subheading reads: "United States Fish Association Claims Imports Will Ruin United States Industry". As I say, this matter may not be relevant to the present discussion, but I cannot help bringing it to the attention of the minister because it has to do with his department. The chairman of the fisheries board made a statement on September 24 to this effect:

> In regard to sales of frozen fish and herring to the United States market, the effect of devaluating the Canadian dollar in terms of the American dollar should be beneficial.

This particular statement, reported in the St. John's *Evening Telegram,* asks congress in Washington to make an investigation. Thomas D. Rice, executive secretary of the

Massachusetts fisheries association, in the concluding part of his statement, is reported as follows:

> Rice urged an immediate investigation into the situation by representatives in Washington as "the very survival of the three-hundred-year-old fishing industry here is at stake.
>
> "Unless our government acts now, some firms here may have to go out of business. Our fishing vessels will be forced into idleness, large numbers of workers will lose their jobs," he declared.

That matter is extraordinarily important to us. I know it is not germane to the particular motion, but I am sure the minister will not mind my introducing it in that fashion. He may care to make some comments later on.

What I really wanted to ask him, having read over the statement he made this afternoon, is this. As I have it, the minister said that the present act has been revised with three purposes in view: (1) To provide for inspection of fish which moves in interprovincial and export trade; (2) to revise the regulatory powers to meet present-day problems; and (3) to amplify and simplify some of the important procedures. He also said that they were not proposing at this stage any new regulations but that they were merely seeking to establish the necessary statutory authority for instituting any inspection procedure whenever that becomes necessary. Briefly put, that is what I understood him to say.

But the questions that I wanted to ask are in connection with the statement on fisheries contained in the statements on questions raised by the Newfoundland delegation during the negotiations for the terms of union between Canada and Newfoundland; it is that part specifically dealing with fisheries, and I think it is covered by the bill which it is now proposed to introduce. On page 37 of this booklet, entitled "Report and Documents", I find the following paragraph:

> At present the Customs and Fisheries Protection Act prohibits the sale of bait to foreign fishing vessels in Canadian territorial waters, except by special treaty or convention. An amendment to this act will be introduced in order to continue the practice now followed by Newfoundland in this matter.

I wonder if that amendment has been introduced. That is one question. The other one is in connection with the next paragraph, which is as follows:

> Licensing of premises to pack fish (including filleting and freezing plants).
>
> It is understood that, while these matters will come under federal jurisdiction at the date of union, the Newfoundland fisheries board, during the time that it continues to operate, will be the medium through which application for licences will be made and the relative regulations brought into effect.

That is the other particular point that I wanted. There is also this paragraph:

> Power of Newfoundland fisheries board to negotiate contracts.
>
> The Newfoundland fisheries board will not be required to deal through the Canadian Commercial Corporation, and may in its discretion continue to charge a fee or commission for its services in negotiating contracts, subject only to such export and import controls as may exist.

The government is proposing controls here, I presume. The next paragraph is as follows:

> Fish wrappers and packages
>
> Wrappers provided by purchasers in the United States for their suppliers in Newfoundland will be dutiable after the date of union but will also be eligible for the 99 per cent draw-back on re-export as containers of fresh frozen fish.

I want to ascertain if that is correct and if it is still in effect. The paragraph continues:

> Efforts are being made to arrange for the continued use for export of the present stock of wrappers marked "product of Newfoundland."

I want to find out if these steps have come to fruition or what the position is in Newfoundland. I continue with the quotation:

> Inspection Fees on Export
>
> The present policy is to make no charge for inspection services.
>
> Tariff Agreements.

I am not quite sure whether this comes within the scope of the bill. I have not seen the bill.

> The position after union of the agreement between Newfoundland and the Dominican Republic providing for a low rate of duty on imports of Newfoundland codfish into the latter country is being examined. If necessary the Canadian government will initiate discussions on this matter.
>
> Bait Service
>
> The Canadian government will seek legislation or take such other steps as may be necessary to provide that the Newfoundland bait service will be taken over and operated without fundamental change by the Department of Fisheries. If, after the date of union, changes are made for the benefit of Canada as a whole, the question of payment will be discussed between federal and provincial authorities.

These are the questions. I trust the minister will not think that I have jumbled them all together. If he can help me out on the matter I shall greatly appreciate it.

Mr. Mayhew: I have noted the questions and I think I could give the answers to them because we became pretty familiar with them while the committee was here dealing with this matter; but when I make a statement I would prefer to know that I have all the facts. The questions will be answered when we are in committee on the bill, or if we have to wait longer, when we are on the estimates, which I hope will be in a few days.

I fully appreciate everything that the hon. member for St. John's East has said. I know how important the fishing industry is to the province of Newfoundland, and I would be the last one to want in any way to shorten any of the debates that we have on that industry. I have visited all of the ten provinces since June 27 last, and have discussed this matter with the provincial governments, with the fishing industries and with the fishermen themselves. When we are on the estimates I hope we shall take time to talk about fisheries.

There is something in what the hon. member has already said, namely, that in Canada we have not been very fish-conscious. With the support of the hon. members from Newfoundland and some others, I think that the program which we hope to initiate will be of benefit to all concerned and that it will show how we can develop one of Canada's finest natural resources. For that reason I would not want to limit anyone who wishes to make a statement at any time in this house. However, this is a resolution. In the last few years it has become the habit here to have three debates on legislation rather than the one we used to have when I first came to the house. I was anxious that we would not get sidetracked tonight but that we would stick to the resolution. When the estimates come down we can give the hon. members who are not fish-conscious a chance to go and have a smoke or to sit and listen to the discussion because it will be something that will vitally interest everybody. I am the last man who would want to limit discussion.

Mr. Green: With all deference I do suggest that the minister should answer these questions in so far as he is able to do so this evening. He has his parliamentary assistant sitting with him. If he has not the officials of his department available in the building that is his fault and not the fault of the hon. members who are asking questions. When he says that there should be only one debate I point out to him that that simply is not the fact under our rules. A resolution is brought in, and that resolution can be debated. Then the resolution goes into committee and at that stage an hon. member quite properly asks general questions such as the hon. member for St. John's East has asked this evening. The minister says that he should not ask these questions now; that he should wait until the bill is brought in and is in committee, or until the estimates come down. Private members are not required to wait until the minister's estimates come down to get this information. If they try to question the minister when the bill is in committee and ask a question on a certain section some hon. member can rise on a point of order and say that the question cannot be asked on that particular section. We are now at the stage when these questions should be answered. The minister has admitted that he could answer some of them. I think he should go ahead and do so, and not make a pleasant little speech about the fishing industry and all the hon. members getting together six weeks or two months from now, and perhaps two or three days before we go home when there is a great rush. Private members are entitled to ask the type of questions that have been asked by the hon. member for St. John's East. It is particularly important, because he is a member from our new province. I do urge upon the minister that he give us what information he has this evening and not simply give us a general talk which contains absolutely no information whatever.

Mr. Mayhew: I do not know exactly the purpose of the remarks of the hon. member for Vancouver-Quadra. I can assure him that I am not going to answer the questions because I am afraid I would not be able to answer them in the detail that would be satisfactory or fair to the hon. member for St. John's East. The officials of the department will be here. I will have the records in front of me. I do not intend to attempt to answer something when I am not perfectly sure that I can give an accurate answer in every detail. I was hoping that we would get through this resolution tonight because I do not think that we shall get the most out of the discussion at this stage. Hon. members will get the most out of it when they have the bill before them. We shall answer any questions we can when the bill is before us.

Mr. Green: No minister of the crown has a right to come into this house and tell us that we cannot ask these questions.

Mr. Mayhew: I did not say that.

An hon. Member: Who says so?

Mr. Green: That is what the minister said.

Mr. Mayhew: I beg your pardon.

Mr. Green: I have the floor. Furthermore, the minister has said that he will not try to answer these questions tonight.

An hon. Member: He has not.

Mr. Green: That is exactly what he said. You cannot imagine the Minister of Agriculture coming into this house and taking that position.

Mr. Gardiner: I have.

An hon. Member: Put that in your pipe and smoke it.

Mr. Green: If the Minister of Agriculture did that he was wrong, and I dare say the only reason he did so was that he did not know the answer, although it is not very often that he does not know the answers to anything having to do with his department.

Mr. Fraser: Right or wrong.

Mr. Green: This is an intolerable situation. We were told last night that this resolution would be under consideration today. The Minister of Fisheries should have had his officials here.

Mr. Fournier (Hull): No.

Mr. Green: So that he could answer these questions.

Mr. MacNaught: No.

Mr. Fournier (Hull): Not on the resolution.

Mr. Green: This attempt to cut down the rights of hon. members—

Mr. Fournier (Hull): Nobody is trying that.

Mr. Green: —is not good enough, Mr. Chairman.

Mr. McIlraith: Did you have a good dinner?

Mr. Green: If the Minister of Fisheries persists in his refusal at least to try to answer these questions, then we can draw only one conclusion, namely, that he does not know the answers and that he should know them.

Mr. Brown (Essex West): He just said so.

Mr. Noseworthy: Will the minister give us any other information? Will he tell us whether the measure that is to be introduced is to be an independent bill or an amendment to an act that is already on the statute books? As I recall it, in previous sessions we discussed the right of the government to make inspection of fish for import, export and so forth. There is nothing in the resolution to indicate whether it is to be a new act or an amendment of the one now on the statute books.

Mr. Ashbourne: Mr. Chairman, coming from Newfoundland, and as a representative from a very important section of the fishing industry of Newfoundland, I think I can speak with assurance concerning the resolution now before the house.

Mr. Fraser: What part of the cabinet do you belong to?

Mr. Ashbourne: Let me say, Mr. Chairman, that I represent a part of Canada—Newfoundland—and I congratulate the Minister of Fisheries upon having introduced this resolution. I speak from experience because, as the hon. member for St. John's East has said, for years we have heard the expression that the fisheries are the backbone of Newfoundland. We have found from experience that a certain amount of standardization has been necessary; and certain regulations which have been in effect for many years past in Newfoundland to govern fish inspection have proved most beneficial. In my view this resolution is a move in the right direction.

We know that fish forms an important food article. As we have seen in the past, proper and efficient merchandising of food articles requires adequate inspection. Also a certain amount of standardization is required so that when the customer places an order for a certain article he may know that the article will be graded according to certain recognized standards.

I could speak for the forty minutes allotted to me, but I do not think it is necessary at this time to do so. I shall have more to say when the bill is in committee. As a member from Newfoundland, let me say that I appreciate the action taken by the government by way of bringing in certain controls, which no doubt will be envisaged in the bill.

Mr. Mayhew: In answer to the point raised by the hon. member for York South, let me say that this will be an entirely new act. I intimated before six o'clock that when we had first reading of the bill it would be circulated so that hon. members might see it. I am sure when it is seen it will be clearly understood.

Mr. Bryce: Will this legislation apply in any way to the prairie provinces? After the fish is canned, will the inspectors have control—because the fisheries out there are under provincial jurisdiction. When the inspectors are appointed under this measure will they have control of fish after it is packed?

Mr. Mayhew: Yes, they will have control of inspection over any fish sold interprovincially or for export purposes. It affects all provinces.

Mr. Higgins: I presume the minister is aware of the action United States fish merchants propose to take?

Mr. Mayhew: Last year United States fish merchants put on the same sort of demonstration in an endeavour to reduce the quota of fish sold by Canada to the United States. Evidently they are doing the same thing again this year. I do not know how far they will go, but the situation is being watched carefully in the interests of Newfoundland and the rest of Canada.

Resolution reported, read the second time and concurred in. Mr. Mayhew thereupon

moved for leave to introduce Bill No. 63, respecting the inspection of fish and marine plants.

Motion agreed to and bill read the first time.

SUPPLY

The house in committee of supply, Mr. Gauthier (Portneuf) in the chair.

DEPARTMENT OF AGRICULTURE

Marketing service—

29. Marketing of agricultural products, including temporary appointments that may be required to be made notwithstanding anything contained in the Civil Service Act, the amount available for such appointments not to exceed $6,000, $75,000.

Mr. Wright: Mr. Chairman, in the details at page 117 we find an additional $50,000 being spent this year for advertising. For what purpose is that amount to be spent? Is it for the advertising and sale of surplus products going on the market, or just what schemes of advertising does the department propose to put into effect?

Right Hon. J. G. Gardiner (Minister of Agriculture): Mr. Chairman, the committee will recall that prior to the war we had a large vote for the advertising of agricultural products. Much of that money was used overseas, and some of it used in Canada. During the war however there was no object in advertising overseas, because all the food was delivered to the British government, and it made distribution on a quota basis. There was no reason for advertising our food in Britain at that time. As a matter of fact during the greater part of the war, and for some little time thereafter, Britain did raise objection to the advertising of any particular food in that country, because they wanted to make distribution irrespective of where it came from.

Today however the position is somewhat changed, and we feel it is necessary and advisable to do more advertising than we have been doing. We have asked for an extra sum of money to be able to accomplish that. Speaking from memory, I think it will be found that when I get to the further supplementaries there will be still another amount to be added in order to take care of these advertising programs.

We are broadening out in order to advertise products in Canada. When it is reported that there is a surplus of a certain product we assist in advertising it in Canada in an effort to increase its consumption rather than to look entirely outside of Canada in order to find a market.

Mr. Wright: I am glad the minister has given that answer. I do not want to leave the impression that I am opposed to advertising, because I think the department is wise to go ahead with this advertising program, especially of agricultural products that may be in surplus supply. Last year we had a surplus of honey, and I know the British Columbia people may have a surplus of apples. These advertising campaigns have certainly broadened the markets for various agricultural products.

Mr. Bryce: What products are advertised in Great Britain? I know that people there have thought they were getting United States bacon when in fact they were getting our good Canadian bacon. We should advertise our bacon, our apples, our honey and other products. I know this is done at the different exhibitions held over there, but the fact remains that Canadian and United States bacon have got mixed up in the people's minds and I know that our western bacon is much superior to any such products coming into Great Britain today.

Mr. Gardiner: The position with regard to advertising in Great Britain is not too clear. We have been given to understand by those with whom we have come in contact that the British prefer that we do not advertise. I made that statement a year ago and to my surprise a question was asked in the British house, which I presume started from here, and the answer given was that they did not object. However, our experience is that they do object, no matter what the answer in the house may be.

I can quite understand why they should. The British are buying food from all over the world. All the food purchased is marketed by the government, not by individuals. If we went into Britain and advertised Canadian bacon as being the best in the world, if we tried to tell the people that that was what they ought to eat and thus induced the British consumer to demand that his government get Canadian bacon, I can understand the difficulty it would create for their government. It may be perfectly true that there is no law against it, that there is nothing to prevent its being done, but I have an idea that, if we did it, it would not be long before we ran into difficulties. For that reason we have thought it inadvisable to put on any definite program of advertising in Britain.

We do certain things when the opportunity presents itself. For example, the deputy minister came to me the other day and told me that we had not been allowing people to include butter in the parcels they were sending to Britain and he asked me what I thought about it. I told him that as some people thought we had a surplus of butter in Canada it might not be a bad thing to

allow people to put Canadian butter in their parcels instead of having Eaton's or Simpson's buy Danish butter to be sent over to Britain. Regulations are being sent out indicating that it will be quite proper to include Canadian butter in these parcels. This will be a form of advertising of Canadian butter. At some time we may have a surplus which we will want to sell and it might be a good thing to encourage people in this country to put it in their parcels so that our products would be advertised in an indirect way. Outside of that kind of action it is most difficult to evolve any plan to definitely advertise our products over there.

Mr. Bryce: I hate to think I have been breaking the law in recent weeks by sending good Canadian butter to Britain. We have good products to sell and we should tell the world about them.

Mr. Quelch: Has the trade been told that it is permitted to send Canadian butter to England? I have here a list of food that may be sent in parcels to England and butter is not included.

Mr. Gardiner: The decision was just made within the last seventy-two hours so I do not think there has been much opportunity for anyone to take advantage of it. I do not want it to be understood that the trade, as we understand that term, is to be permitted to do that sort of thing. I doubt very much if the trade would be permitted to do it, not because of anything we might do but because of what the British government might do if business people here were permitted to ship this particular product to their counterparts in Britain.

But there are companies like Eaton's and Simpson's and a few others that make a practice of putting up parcels to be sent to Britain by individuals in this country. Certain food products have been included in those parcels, but butter was not one of them. We are now saying that it is quite proper to put butter in. The reason it was not permitted to be put in last year was that we were bringing in butter from outside in order to supply our own people. Some people complained because some of the products being put in these parcels were Danish, but one could hardly complain about putting in food products from another country if we did not permit food products from this country to be included in the parcels. We now have sufficient butter to supply our own people and there is no reason why butter should not go into these parcels and serve as a form of advertising.

Mr. Quelch: I remember the minister being somewhat critical about Canadians sending parcels from Denmark to England, but the only reason that was done was that you could not send butter from this country. The reason for that prohibition has been given by the minister.

Mr. George: I should like to ask a question in connection with a remark made by the minister the other evening, as reported on page 696 of *Hansard*, as follows:

> If it has been fairly good, and if we want to market more products in the markets that are available, then I think we ought to produce them and put them on the market.

The question I intend to ask will apply equally to bacon, poultry and other products. Would it be possible to persuade the English to give us their quotas or commitments a year in advance of what they are doing now? It is practically impossible for a farmer to plan his poultry production unless he knows at least a year and a half in advance.

Mr. Gardiner: During the war we were able to make contracts that extended for more than twelve months; in some cases we were able to make contracts for two years, and in the case of wheat we were able to make a contract that extended for four years. On all other products two years was the limit. While we had those contracts it was possible to let the farmer know at least a year in advance what he was going to be required to supply under them. Unfortunately that is most difficult at the present time; in fact I think it is impossible. It is not because of anything we do about it. The British are battling in order to maintain their dollar position, and they come over here once a year and indicate to us how many dollars they have available to carry on trade with us. Then they try to divide those dollars among the different types of trade that we carry on with them. So much is allowed for agriculture.

After they have taken that position we have another discussion with them as to whether the amount can be increased in so far as our food products are concerned if more dollars are needed in order to take care of our surplus. What I was suggesting the other night was that, in our experience up to the present, we have not been able to supply as much as Great Britain finally agreed they had the dollars to buy of those products that we were discussing. As long as that is the position, I can only say to those who are saying that we have lost markets, or that we should be finding markets, that the only reason for finding more markets would be to produce more products. We are now consuming much more of all those products in Canada than we were prior to the war, and as to many of them even more than during the war. For that reason we have not so

much to export, but our difficulty up to the moment with the British has not been one of having been refused markets. We have found difficulty in supplying even those markets for which Great Britain has provided so many dollars to buy farm products.

Mr. Harkness: I think the minister will agree with me that from the long term point of view, if we are going to continue to have markets in Great Britain for our agricultural products, we must be in a position to live up to the contracts into which we enter. We had a discussion on this matter a few nights ago when the minister's estimates were before the house previously, and he more or less pooh-poohed the idea that there was any chance we might lose markets in Great Britain because we had not lived up to our contracts. Nevertheless, from the long-range point of view, I still believe if we do not live up to those contracts year after year there will be considerable disinclination on the part of the British to enter into further contracts with us with any idea, as far as they are concerned, that we will live up to them.

I should like to ask the minister what measures he thinks might be taken, and whether the government has any ideas in mind as to what steps we might take so that we would be in a position to meet our contracts. I refer particularly to bacon. Perhaps more than anything else we have been notably deficient in meeting our contracts for bacon. Then there are eggs in which we have also fallen down, and generally all agricultural products concerning which we enter into contracts to supply the British market.

Personally I think we are in a poor position to bargain with Great Britain or any other country if we are deficient in meeting the contracts into which we have entered. I would say that it places us in a bad bargaining position to have to go to a country and say: We contracted to supply you with 160 million pounds of bacon, and all we will be able to supply is 50 million pounds; we are sorry there is this big deficiency. It seems to me that our general agricultural policy should be directed along the line of securing sufficient supplies to meet our contracts. What particular steps may be necessary to do that is a pretty complicated matter, but nevertheless I do not like the idea of entering into contracts, which the minister said has been done year after year, to supply so many thousand pounds of this and so many tons of that, with the idea always in mind that we will not be able to live up to them.

I think that the minister should give us an explanation or a résumé of what the government has in mind to meet the contracts which we have at the present time, and the ones which we hope the minister will be able to enter into with Great Britain before the end of the year.

Mr. Gardiner: I have tried to tell the hon. member on three or four occasions, and apparently I have not spoken plainly enough, that we do not intend to do any such thing. We have no intention of asking Canadian farmers to try to produce more bacon for the British at the present time. The chief reason for that is that the British have told us they have no dollars to pay for it. They have come over here for the last two years and have said: We would like your bacon all right; we could eat more of it but we have no dollars to pay you for it. Therefore they said that they did not want us to send it to them.

That is where we start from. Then we say to the British: Well, that may be all right, but we got into the habit of sending you a lot of bacon during the war, and our people still think that they should have the privilege of sending it to you if they have it. We say to the British that we would like them to sit down with us and estimate the greatest number of dollars that they can afford to pay for bacon. Then we say to them: We will try to bring down the quantity in the contract to the point where your dollars will pay for the bacon we do send. We understand one another. We know that they do not feel they are in a position to pay for any and so they say that they would just as soon we did not send it. They say: In order to keep some Canadian bacon on our market we are prepared to sign a contract that will cover a limited number of dollars We start off from there and we say to our farmers: Here is the contract price for bacon; that contract price will bring you a certain price for hogs. If you can sell your hogs for a better price somewhere else then do not worry about the British because after all they would just as soon you did not send them any.

That is what we are actually saying to the farmers today. What has been the result? During the last year somewhere between 50 and 70 per cent more pork has been consumed on the Canadian market than was consumed before the war. As a result of the fact that more is consumed on this market than before the war, hogs have been as much as 7 cents a pound dressed weight higher in Canada than you can get for them under the British contract. Why would any farmer insist on his hogs being sent to Great Britain at 7 cents a pound less than he can sell them for in Canada? He just is not going to do that. He will produce more hogs to sell in Canada at 7 cents a pound above

the British contract price than he would produce if you told him he had to sell them under the British contract at 7 cents a pound less.

I do not know any way to tell the farmer that he ought to have produced more hogs for Great Britain when he can get 7 cents a pound more by selling them in Canada. For that reason we have been saying that as long as the farmer can get that market at home we are not going to worry him about sending bacon to Great Britain, but we do say to the British that we would like them to continue the contract, that we would like them to undertake to take the maximum amount that we may have after we have sold all we can to the Canadian people so that when their difficulties are ended and they are able to provide the dollars we will still be in that market and they will know something about our product.

In that connection I have some figures which may be of interest, which I just happened to run across a few moments ago. They illustrate pretty well what is happening, and I only give them because they have some bearing on what we should be doing. I agree with the hon. member that it would be a good thing for the farmers of Canada if by some means or other they should come to the conclusion that they might produce more hogs than they are producing today, but at the same time I have no intention of going out and telling them so, or of trying to compel them, by means of legislation or regulation, to produce more hogs. I know how far I would get with that.

The point is that some farmers prefer to produce grain rather than hogs, and I do not blame them for that, either. A man can sow grain in the spring, let it grow and harvest it in the fall, and have considerable time to himself evenings and Sundays; and a farmer who can make enough money that way to live as he wants to live will not be easily induced to feed pigs and milk cows, which will keep him at home evenings and Sundays and all the rest of the time. So he decides to produce grain, and I would not quarrel with him over that. I know farmers too well to quarrel with them over such matters. They are going to make their own decisions, as they have always made them.

As a result we find that during the six months from January to June, 1948, the United Kingdom imported 35,000,000 pounds of bacon from Denmark, while for the same period in 1949 her imports from that country amounted to 58,000,000 pounds. In other words Great Britain obtained 15·8 per cent of her supplies in the first half of 1948 from Denmark, while she obtained 52·5 per cent of her supplies of bacon from that country in the first six months of 1949. That means, for what it is worth, that Denmark is back to within two per cent of the position she occupied before the war in supplying the British market. It does not mean Denmark is supplying as much bacon as she supplied before the war; probably Britain is not eating as much. After all, bacon is the most expensive pork product you can eat, and when people are having difficulty in finding money they do not eat as much of the most expensive foods they can find. If you want to eat a really expensive product, eat bacon. Canada's position is that in the first six months of 1948 we supplied 167·5 million pounds of bacon to the British market, as compared with the figure of 35 million pounds from Denmark. For that period of time we supplied 74·8 per cent of all the bacon imported by Britain. In 1949, however, we supplied only 22·6 per cent as against Denmark's 52·5 per cent; that is, we supplied 25 million pounds as against 167 million pounds in the first six months of the previous year. One of the principal reasons for that change is that we are consuming more and more pork in Canada, at higher prices than the British are required to pay for the Wiltshire sides that enter into the production of bacon for that market.

I only give those figures to indicate that the trend is back toward the position we occupied before the war; and we are not trying to either induce or compel farmers to depart from their chosen practice. In my experience of almost fifteen years in this department I have found that 750,000 farmers all working on the job can make a better average decision about any of these matters than any member of this house, including the Minister of Agriculture. I do not intend to try to tell those 750,000 farmers what they should do. I try to give them the facts and let them form their own judgment, and that judgment is that they should not be producing as many hogs now as they did in the middle of the war.

Mr. Harkness: I believe the pamphlet from which the minister was quoting figures a moment ago is the Searle Grain Company report of about two weeks ago?

Mr. Gardiner: No, that does not happen to be correct.

Mr. Harkness: Is that not so?

Mr. Gardiner: If the figures are correct I imagine they would be the same no matter where they were found, but this happens to be a letter on Canadian livestock products, to foster a better meat industry, prepared by the industrial and development council of the meat packers.

Mr. Harkness: In any event the figures are the same as those in this publication, and they are the figures which caused me to do a good deal of thinking, together with many other people who are engaged in the production of hogs. In his remarks the minister has left out of consideration altogether one thing about which he used to talk a good deal; that is, the long-term point of view as far as the hog industry of this country is concerned. Two or three years ago he would point out quite frequently that the future of the hog industry of Canada lay in the British market—

Mr. Gardiner: It does yet.

Mr. Harkness: —and that we should bend every effort to retain that market. The minister just interjected, "It does yet", and with that remark I entirely agree. I think it does, and that if we are to have a healthy hog industry in this country we must have the British market for our surplus pork products, particularly our bacon. I think the minister will realize that is what I was getting at in what I said before he spoke; that in this country we should be following a policy which will enable us to supply the demand for bacon in Great Britain. It is quite true that at the present time Britain is short of dollars. However, she does have a certain amount of money, some of which she is still spending for bacon; and it seems to me that in order to ensure our market in future—and this is the very thing the minister used to emphasize so strongly only two years ago—everything possible should be done to meet the British demand for bacon. If the government can take any action to put us in a position to meet that demand, I think that action should be taken. In other words we should do our best to retain that market. I think it is very bad policy on our part, in spite of what the minister has said—and he really has not dealt with this point—to enter into contracts for a great deal more bacon or any other product than we can possibly supply.

I should like to put that in the form of a question. Whom does this fool? Since apparently it is not fooling the British people, the only conclusion I can reach is that it is designed to fool our own people, particularly our producers of hogs, when we enter into a contract, for 160 million pounds as we did last year, when from present indications we will not be able to supply more than 50 million pounds at the most. That sort of thing does not seem to be good business. Certainly it is not good business as far as our farmers are concerned.

Mr. Gardiner: What figure would you put in the contract for next year?

Mr. Harkness: Nor is it good business as far as our customers are concerned, or perhaps I should say our customer in Great Britain. The minister mentioned that the 750,000 farmers of this country are the people best equipped to decide what they should produce. With that statement I agree entirely. The point is, however, that they will produce those things on which they can make the greatest profit and at the same time have a reasonable assurance that their market will remain. They will not go into the production of hogs on a large scale and as a steady business, for example, if they believe the market for pork products is liable to disappear overnight, which is exactly what happened some two years ago. People sold off weaner pigs, feeder pigs, brood sows and everything else because they were afraid of what was going to happen to the hog market.

Mr. Gardiner: Then we had 48 per cent more delivered than before. Some of my friends were saying they had sold them off.

Mr. Harkness: No. All you have got to do is look at the figures. You know it as well as I do. You have a great deal less delivered now than you had in 1947, which is the year I am speaking of. The general reason that farmers will grow hogs or will not grow hogs is, as the minister knows, the hog-barley ratio or the relationship between the amount of feed grains available and the price of those in relation to the price of hogs. During the past year the people who have been producing hogs have had a certainty that, as far as we are concerned in Alberta, the price of select hogs would not fall below $27.15 a hundred, dressed weight. That was the basic price. On that basis they were able to make their plans and go ahead.

At the present time quite a number of people I know are more than a little bit nervous as to what the situation is likely to be after the first of the year. They know that until the first of the year that is the least price they can receive; they can feed their hogs on that basis and more or less make their plans accordingly. But with the devaluation of the pound, and the fact that we have not been able to anything like meet the British contract, and the general uncertainty in their minds as to what the situation may be with regard to the marketing of pork after the first of the year—I think the minister knows I am not putting this argument up for political or any similar reasons; and he knows this as well as I do—there is a considerable amount of perturbation among the hog raisers as to what their situation is going to be after the first of the coming year. A few nights ago I asked the minister if he could give any assurance to these people, or

if he could assure them in any way. He gave a long answer and, I am sorry to say, an evasive one. It was not one that was of any use to the ordinary farmer who is producing hogs. So I would ask the minister again if he can give any information, which would be of value to the hog producers of this country as a whole, as to what their position is likely to be after the end of this year.

Mr. Gardiner: In the years since the beginning of the war, I have followed the practice of letting the opposition do the prophesying as to what is going to happen; as a result I have found that they were usually wrong. I am therefore not going to start to prophesy now.

Mr. Harkness: I did not ask for a prophecy.

Mr. Gardiner: You asked me what is going to happen next year. That is a prophecy.

The position in relation to hogs in 1947, which was referred to a few moments ago, is that every member who spoke on the opposition side of the house—and it did not matter from what section of the opposition he spoke—told the story about killing little pigs and marketing sows. That was in the fall of 1947. In the first six months of 1948 more hogs were marketed in good A and B grades than were marketed in the first six months of 1947.

Mr. Harkness: No.

Mr. Gardiner: And there were 48 per cent more marketed—

Mr. Harkness: Have you any figures to support that statement?

Mr. Gardiner: Yes, the figures are on the record

Mr. Harkness: I think you will find you are wrong.

Mr. Gardiner: There were 48 per cent more hogs marketed in January, 1948, to provide Wiltshire sides, than were marketed in January of the previous year. It is true that after October of 1948 the production of hogs dropped. That was all foretold by the officials of the statistics department. That was all foretold when we were discussing the question in 1947. If it is of any interest to my hon. friend, the present position is that the production is going in the opposite direction. Production was dropping in the latter part of 1948 and all through the early part of 1949. The production is now going up and we are having more and more hogs coming to market in addition to the number that came last year. That fact indicates to me that these 750,000 farmers, or that proportion of them that produces hogs, have an idea that maybe they are going to get a little better return for their hogs in the months that lie ahead.

Mr. Harkness: The hog-barley ratio is better, is it not?

Mr. Gardiner: The hog-barley ratio at the present moment is not too good. But at the same time, if you want to take the same document from which my hon. friend usually quotes his figures, it will be found that, if you can get $30 a hundred for dressed hogs, you can get $2.16 a bushel for your barley. That is considerably more than barley is selling for, and hogs are still selling around 33 cents.

Mr. Harkness: No, they are not. They are $29.50 in Calgary.

Mr. Gardiner: I am speaking of one place all the time, not Calgary; I am speaking of one of the central points of Canada.

Mr. Lennard: At Toronto they are $29.50 in today's market, or according to this morning's paper.

Mr. Gardiner: They may be $29.50 tonight. But these figures bring you down to the end of August.

Mr. Lennard: That is not present prices.

Mr. Gardiner: That is about as near up to the present as you can get reliable figures for. The fact that hogs were quoted on the Toronto market at 29 cents yesterday does not mean that they were not quoted a week ago at over 30 cents; and it does not mean that they may not be quoted before the end of next week at 27 cents. But the average over the week may amount to figures similar to those which were obtained in the latter part of August. As a matter of fact, you cannot go on the daily returns in connection with these prices. Let us go back to the point that my friend is arguing, that you do not get enough for your barley.

Mr. Harkness: No, I was not.

Mr. Gardiner: That is what the ratio between the price of hogs and the price of barley means, that if it gets down to a certain level, you are not getting enough.

Mr. Harkness: Do not try to put words into my mouth. I was not arguing that for a moment.

Some hon. Members: Order.

Mr. Gardiner: If you can produce 100 pounds of pork by feeding 500 pounds of feed, you can get $2.16 a bushel for your barley if you get 30 cents for your hogs. If you get even 20 cents for your hogs you can still get $1.44 for your barley, which is

just about the price that barley is. In other words, the price of hogs is 50 per cent higher than the figure which is necessary in order to produce the price of barley.

Mr. Harkness: Excuse me, but may I ask a question?

Mr. Gardiner: You have asked a number, and I am trying to answer some of them.

Mr. Harkness: I take it that this does not take into consideration the other costs of feeding hogs. This is simply the price of barley. It has nothing to do with the labour involved and the land.

Mr. Gardiner: My hon. friend feeds hogs. I should like to ask him if he cannot buy barley, feed it to the hogs, and make money.

Mr. Harkness: I would not be in the business if I could not.

Mr. Gardiner: Of course you would not. And the farmer can make more money when he grows his own grain and feeds his own hogs than you can make buying your hogs and buying your barley.

Mr. Harkness: I am growing barley.

Mr. Gardiner: So the argument still is that the farmer is not doing too badly. If he can produce the 100 pounds—and if he is a good feeder he can do so—by feeding 400 pounds of feed, then he gets $2.70 for his barley, at 30 cents for the pork; and at 20 cents for the pork he gets $1.80. People talk about not getting enough for their wheat when they get $2 a bushel. If he is a good hog feeder he can get $3.37 for his wheat by feeding it to hogs.

Mr. Harkness: If he can make 100 pounds with 350 pounds of feed. Look at your figures.

Mr. Gardiner: No; if he can make 100 pounds of pork on 400 pounds of feed. I am sure my hon. friend will agree that he himself is a good enough feeder to be able to do that.

Mr. Harkness: I think you will find that the figure is 350.

Mr. Gardiner: No; the one I have just quoted is 400. The 350 is $2.88—no, it is not even down to 350. It is 375. There is no 350 in the table. At 450 he can get $2.40 and so on. The table indicates that it is not the case of the farmer not being able to make enough feeding the hogs that has caused him to come down in production. It is something else, and I am not going to try to guess what that is. It is a different thing with different farmers. I know what it would be in my case if I had to feed the pigs myself and clean up the pigpens. You can be sure that as long as I could get the price that I can get for grain now I probably would not do the job. That is one of the reasons why many of them take that position. They say, "We would rather have the returns that we get from the grain and not have to employ anyone since we do not want to do it ourselves. We do not want to have to employ labour in order to get the job done." I am not going to try to give all the reasons, but there are many. They are not doing it; that is the main thing.

Mr. Herridge: With respect to the marketing of fruit and vegetables, the minister's department maintains inspection services across Canada. I understand that a corps of these inspectors is employed more or less on a permanent basis, but the greater number are temporary employees employed during the period of shipping fruit or vegetables. I suggest, Mr. Chairman, that while in British Columbia these inspectors have done a fair and reasonable job, in view of the importance of the inspectors' position between the producers and the consumers, has the minister given consideration to having the greater number of these inspectors termed "permanent employees"? I do not think one can expect a man to take up inspection work as a career if he is employed for five or six months a year and takes it as a part-time job.

Has the minister given consideration to the training of these inspectors? It is a very important matter so far as the industry in British Columbia is concerned. No doubt the minister knows that the industry maintains, at its own expense, a competent staff of inspectors who are of great assistance in British Columbia. At this time I want to express the appreciation of the industry for what the senior officials are trying to do in British Columbia with a very limited and part-time staff.

The minister may say that there is not enough for them to do the year round, but I just want to bring this to his attention. Just the other evening, my colleague, the hon. member for Yale, and I were walking down one of the streets of Ottawa looking into shop windows. There we saw four or five boxes of scrubby Ontario apples, I presume, piled into our extra fancy boxes from British Columbia. I presume the apples were being sold as jumbo pack apples. They were obviously all culls. They were being displayed in a large store window in our boxes labelled "extra fancy O.K. brand." Anybody knows if you buy an apple from an O.K. box that apple is O.K. Has the minister given consideration to increasing the number of permanent employees and increasing their salaries? When one considers the importance of these men of the inspection

service to the industry, to the producers and to the consumers, and compares the salaries received by other very much less important people, he will agree that these men are entitled to receive treatment that would cause them to consider the inspection of fruit and vegetables as a career which would enable them to give the best service possible to this important industry.

Mr. Gardiner: As the hon. member has pointed out, the grading of apples in British Columbia is done at least as well as it is done in any part of Canada. The actual grading of the apples is done by men and women employed by the trade or by the producers. In their plants they have certain machines to grade apples with regard to size. I have watched them at work. They have individuals standing alongside the machines picking them out, and when the job is done it is presumed that one of the best grading jobs is done in Canada.

Mr. Herridge: Right.

Mr. Gardiner: All our inspectors have to do is to go along and look at them and come to the conclusion that the job is well done. When they have done that they have done their job. It takes a certain number of them but it does not take nearly as many inspectors to take care of a job of that kind at any other time of the year as it does when the apples are being shipped and marketed. I presume when we hire part-time men—the hon. member will know more about this than I do—we hire men who have been pretty well trained in the business themselves. I would imagine that when they go out to pick up men to do this job they may take some fellow who has some time on his hands at that time of the year and who has had experience in doing the job. They put him on for a few weeks or a few months. It is the same principle that is followed all the way through our agricultural activities. We do the same thing with P.F.R.A. and with P.F.A.A. It would be impossible to employ as many men and women for the whole year as are needed to do the job at that time of the year. But I do agree with the suggestion that we ought to get our staffs of competent persons who are employed for the full time up to a number which will see to it that the job is done as it ought to be done. If it can be shown by anyone that that is not so at the present time I am quite sure the department would be open to consider any representations made.

Mr. Quelch: Can the Minister of Agriculture say what the attitude of his department is toward the proposal which I understand was made by the food and agriculture organization that a food pool be set up and that food be sold from that pool to European nations and paid for in their own currencies where they lack dollars? I understand a similar proposal was made by the Canadian Federation of Agriculture. I should say that it actually originated with the Canadian Federation of Agriculture. I think the minister will agree that a proposal of that kind would help greatly toward the stabilizing of maximum production and sales to Europe.

Mr. Gardiner: In answer to the question I can only say that I am on record in connection with the matter. The question was discussed at Quebec when the FAO was set up, and it was discussed again in Copenhagen and in Geneva. I was present on all three occasions and expressed my views with regard to it, and they were in agreement with those which had been presented to those organizations by Sir John Orr, who was then president of the FAO. I do not know of anything that was more completely earned than the Nobel prize which was presented to Sir John Orr during this present week for the, I would say, noble job that he has done in connection with the whole matter.

Some hon. Members: Shame!

Mr. Harkness: You can do better than that.

Mr. Gardiner: The difficulty in connection with it is that there are too many people in the world who still think dollars mean more than anything else. The only reason I have heard presented by anybody as to why a food pool should not be provided in order to see that all people are properly fed throughout the world and producers able properly to market their products is that it might cost somebody too much. I do not agree that it would cost anyone too much. For example, this country carried 600,000,000 bushels of wheat through a very considerable part of the war, and no part of its population had anything to do with financing it, except some 200,000 farmers who produced that wheat. They carried 600,000,000 bushels of wheat to have it there towards the end of the war to feed the people in Europe who otherwise would have starved.

If 200,000 farmers can do that, then I do not know what good argument there is to come from any of the great nations of Europe as to why they should not see to it that surpluses are carried out of years of very high production into years of very low production, and particularly in connection with commodities such as wheat. I am all for it, but I do not know that I could carry all the people of Canada with me.

Mr. Quelch: I wonder if the minister would go a step further and say that the dominion government is in favour of it?

Mr. Gardiner: The government of Canada let me make three speeches on it, and did not kick me out.

Item agreed to.

Special—

31. Major irrigation and water conservation projects in the prairie provinces, $7,500,000.

Mr. McCusker: I should like to speak on this item, which has to do with irrigation, and affects the constituency I represent.

Mr. Gardiner: Would the hon. member for Regina City allow me to make a statement before he makes his speech? It might have some effect upon it—and it might not. But I should like to make the statement.

Mr. McCusker: Certainly.

Mr. Gardiner: This item of $7,500,000 is the one for major irrigation and water conservation projects in the prairie provinces. At page 118 of the estimates the division of that amount is set out at the top of the page, and makes provision as follows:

St. Mary irrigation project, $2,900,000.

Bow river irrigation project, conditional upon satisfactory agreements with the province of Alberta and others, $2,000,000.

South Saskatchewan river irrigation project: Engineering surveys, land use and economic surveys and other investigational work, $2,000,000.

Survey and engineering costs on water development projects in the prairie provinces including the Red Deer diversion project, $600,000.

With regard to the second item in this group, I should like to make an announcement. This refers to the Bow river irrigation project. The announcement is that the government of Canada has approved the purchase of the assets of the Canada Land and Irrigation Company at Medicine Hat, Alberta. The hon. member for Medicine Hat may express any surprise he desires on this occasion with regard to this having been carried out.

Mr. Wylie: I will be very glad to.

Mr. Gardiner: The purchase price is the price that was offered to myself when I was in Medicine Hat on April 13 last—and which, incidentally, was before the election was announced.

Mr. Harkness: You had it in mind, though.

Mr. Gardiner: I did not know when the election was going to be, really.

The reason for the purchase is to enable the dominion to carry out a more active program in resettlement under the prairie farm rehabilitation program. The intention is to move farmers from those lands in Alberta, Saskatchewan and Manitoba where crop production is unsatisfactory owing to continued drought conditions.

The irrigable area of land involved in the purchase is approximately 110,000 acres. There are at present over 400 farmers operating with the company at Vauxhall, Alberta. The dominion will arrange for the operation of the irrigation works. In addition, the dominion will immediately develop other irrigable lands for resettlement of farmers.

Final details of the agreement between the company and the Canadian government are being completed at Ottawa, but it will take some time before all details are finalized.

The reason for the time is that the company, the Canada Land and Irrigation Company, is located in London, England, and our negotiations have to be with persons located at some considerable distance away. Those negotiations have been going on for some time, and it has been finally agreed that the purchase be made on the basis of the offer made on April 13 last.

Mr. McCusker: Mr. Chairman, I wish to speak on this item because it affects the constituency of Regina City, which I have the honour to represent in this House of Commons. Before I proceed further I think it would be well for me to say a few words on the history of the location of that city, and something concerning its development, so that hon. members in the house may appreciate some of the difficulties we have with water in that area, and so that they may understand, as the successors of former parliamentarians, they have inherited certain responsibilities.

When the Canadian Pacific Railway was built into western Canada it was understood that it was to pass along the north side of the Qu'Appelle lakes, and that Regina city was to be located in the Qu'Appelle valley. There, in that broad valley, was an abundant supply of water, shelter from the winds, a spot of great natural beauty, an ideal location for any city.

The railway was to extend farther west along the Qu'Appelle valley and along the Saskatchewan river to Estuary and along the Red Deer, and then the Bow river to Calgary. I am quite sure that the parliament of that day took the advice of the people of western Canada who knew something of the country, and agreed to build the railway in close proximity to surface water, so that the settlements which were bound to take place along the right-of-way would have no water problems.

What happened? The survey party of the Canadian Pacific Railway met with some right-of-way difficulties at Fort Qu'Appelle. It withdrew and ran the survey across the prairies thirty to sixty miles to the south of this natural water supply, across the dry plains. They ran it from Brandon to Medicine

Hat. As a result we have Regina, Moose Jaw, Swift Current, Gull Lake, and many other small towns and villages in perpetual water difficulty.

I wish to deal more particularly with Regina. They located Regina on the old pile of bones or Wascana creek. It was there the Indians met after they slaughtered buffalo, jerked the meat and made pemican—there was enough water for that, but very little more. Since that time the city has developed tremendously and met with many adversities, one of which was the cyclone of 1912 which left a path of death and destruction through the city.

There was the drought period of the thirties. More recently, last winter, there was a disastrous fire which wiped out the barns and rolling stock of the transportation system. It has faced all these difficulties, and met them. It has faced all its problems and settled them—and it has always had very serious problems. One of the most serious has been the problem of the shortage of water.

To understand that problem I believe the committee should know something of the geology of the country. In the ice age the great ice cap lay over Labrador. The glacier flowed across Hudson bay and down across the prairies toward the gulf of Mexico. As the ice receded it left deposits of glacial drift —that is, gravel and boulders. At different places on the prairies there is evidence of this, and here we find water. As the glacier receded a great lake formed over that prairie country into which rivers flowed. Silt was deposited to a depth, at Regina, of 42 feet. It is impervious to water. At places the glacial drift comes to the surface, but it is difficult to ascertain the extent of this or the amount of water it contains without drilling —and drilling is a costly business.

We drill wells to depths of 50, 100 and 200 feet in order to obtain variable supplies of water. We have had the opinion of some of the greatest water engineers on the continent, such as Mr. N. S. Hill, Jr., of New York; R. O. Wynne-Roberts of Toronto; H. E. Simpson of the university of North Dakota and Professor Forsberg of the university of Saskatchewan. Their opinions vary slightly but they all state that in this glacial drift there is a limited supply of water and that we are now drawing beyond the limit of safety.

Last spring we seeded our gardens and planted our flowers. Our flowers came up, our gardens grew as they do there in the early spring when you have moisture; the flowers came into blossom and our lawns were green. Then came the hot weather and our gardens and flowers dried up and our lawns became brown. One hot day in the summer when it was 105 in the shade we could get no water on the second stories of our homes.

This is a serious problem. In order to obtain water we must go to Buffalo Pound lake, which lies in the Qu'Appelle valley about 45 miles northwest of Regina. Buffalo Pound lake is formed by the runoff water of the great plain and is deepened by a dam thrown across the valley. Normally the water from the runoff down the Qu'Appelle valley is used to irrigate 30,000 to 40,000 acres of hay lands where they have a method of flood irrigation. Then farther down they carry on market gardening.

An urban municipality has priority over a rural municipality and irrigated land in order to obtain water for its population. When we take water from Buffalo Pound lake we will jeopardize the supply of water for those who live below. I should like to ask the minister if there is sufficient money in the estimates to provide for a project to maintain the water level in Buffalo Pound lake. This would have to be done by pumping water from the Saskatchewan river. When the dam is built at Elbow the water will flow by gravity down the Qu'Appelle valley and there will be no problem, but in the intervening years something must be done to protect these people who grow hay, who have market gardens, or who have summer cottages along the valley right down to Brandon and Winnipeg.

Mr. Wylie: I want to say to the Minister of Agriculture that I am happy that an agreement has been reached between the government and the Canada Land and Irrigation Company. It is now up to the government to carry on an extension of that program. As far as my speech during the throne speech debate is concerned, and perhaps I should not refer to it, may I say that the argument was not between the minister and myself, it was between certain newspapers out west and myself. I should like to refer to a report that appeared in one of those papers. When I asked a question the other day the Minister of Agriculture gave me a rather smart answer which was applauded by many Liberal members.

Mr. Gardiner: It was an answer to a smart question.

Mr. Wylie: The minister said that he did not publish either paper. I knew, and I am sure that most hon. members knew, that the minister did not publish either paper, but most hon. members do not realize the statement that appeared in the press that day. I am going to read the report that appeared in one of the papers. When the government goes into business I think this house should

be the first to be informed and not the defeated Liberal candidate in any particular constituency. That is what happened in this connection and that is why I refer to it. The Medicine Hat *News* of Thursday, September 29, contained the following report on the front page—

An hon. Member: What year?

Mr. Wylie: 1949. The report reads:

Government Buys Canada Land

The Canadian cabinet this morning accepted the Canada Land and Irrigation Company deal. This means the government buys the company's assets on the Bow river extension, including the Ronalane-Redcliff project, for a sum of $2,250,000.

An expenditure of $3,500,000 in addition will be required to complete all extension works to bring the water to Medicine Hat. In addition the Alberta government has a stake of $1,250,000 in the development.

The announcement was officially made to the *News* this afternoon by Harry Veiner, of Brooks, Liberal candidate in the last general election, after a long distance telephone communication from agricultural minister James G. Gardiner.

Mr. Gardiner stated that the company's offer to sell had been accepted by the cabinet this morning and would be announced in the house later today. Confirmation will be forwarded to Dave W. Hays, local manager of Canada Land. It consummates a proposal originated some months before the election in a conference between the three principals mentioned above, and brings closer to realization a thirty-five year dream of Medicine Hat residents.

If, as the minister tells us, this deal has gone through, I am glad and I am sure every voter and resident in the Medicine Hat area and the drought area of that part of the province is happy about it. But this will depend upon whether the government carries on with that project and shows that it means business. We have wasted another year. Nothing has been done to enlarge the canal or to extend the project further. We do not expect that anything will be done before next year, but I can assure you that we do expect to see some action taken in connection with this project.

When this project is completed I think the citizens in the semi-arid areas surrounding Medicine Hat should be given the opportunity to settle on irrigated land. When the Rolling Hills area was settled not so many years ago, shortly after the drought years of 1935, 1936 and 1937, not one farmer in the Medicine Hat area was given an opportunity to move to that irrigated area. They were all brought in from Saskatchewan. We have no particular objection to bringing people in from Saskatchewan but we want to give our own farmers, who have experienced drought for twenty-five years, an opportunity to settle on some of that land. I hope that the dominion government will take that into consideration in the settlement of the land and give some of our dry-land farmers an opportunity to settle on that project. My hon. friend says that they may bring all Liberals in there to defeat me, but I may say that if they thought they were bringing all Liberals into the Rolling Hills area they were badly fooled because first of all they voted C.C.F. and now they are mostly Social Crediters.

Mr. Gibson (Comox-Alberni): They are getting crazier every day.

Mr. Gardiner: They are advancing. They will get along.

Mr. Wylie: I am sure that once they are Social Crediters they will always be Social Crediters. I had a question to ask on item No. 30, but it went by so fast that I missed it. I presume, however, I can ask it now on the item we are dealing with at the present time. It is in connection with the Ross creek irrigation project. No doubt the minister is acquainted with that. There are about eight or ten miles of canal built under the P.F.R.A. What I should like to know is the amount that has been spent on the canal up to the present time, and also if it is the intention of the P.F.R.A. to complete the canal up to the distribution point, and also the gates of the dam. I should like to know if it is the intention of the government to finish the project this fall.

Mr. Gardiner: As to the questions that were just asked, in the first place it is not the responsibility of the federal government to carry out any irrigation projects in Alberta. It is the responsibility of the government of Alberta, and it is the responsibility of the provincial governments in other provinces, to carry out irrigation work. The land that the federal government purchased from the Canada Land and Irrigation Company was purchased for the purpose of carrying out a program which was announced in 1936, and which has been carried on steadily from 1936 down to the present time. It is a policy of resettling the lands in the dry areas of western Canada.

It was stated a few moments ago by the hon. member for Medicine Hat that we put in the Rolling Hills project before the war, and we did, but it was stated at the same time that provision was not made for taking local people onto that project. One person out of every three is a local person. We took two from outside for every one who was taken from the area immediately surrounding the Rolling Hills project. It may be argued that we should have taken two from the local district for every one we took from elsewhere, but after all most of the people who were living in that district were already on irrigated land. We followed the practice for one-third of the area of attempting to take the sons of some of those who did not have

sufficient land, and we brought in people from dry areas in the neighbourhood in order to take up the other two-thirds. All of them, of course, were from one or another of the western provinces.

This particular project is somewhat similar to that but on a larger scale. The land itself, which is being utilized for the purpose, will belong to the federal government. It will be utilized for the purpose of making it possible to move people off submarginal lands where we are now paying considerable sums through prairie farm assistance in order to maintain them in submarginal areas. As many of those people as can be will be moved onto these areas that will be supplied with water.

It is true that east of the area we have purchased there are somewhere in the neighbourhood of 70,000 acres of land upon which water can be placed, and to the west there is also about 70,000 acres of land, in round figures, that can be brought under irrigation, but all of those lands belong to the provincial government. They are actually the property of the provincial government, and they became the property of the provincial government when natural resources were returned to the provinces in 1931. I repeat that, in so far as there being any responsibility on any particular government to do anything about those lands, the responsibility is on the provincial government and not on the federal government.

It is true, however, that there have been discussions with regard to the provision of water for the lands both west and east of the Canada Land and Irrigation Company properties which we have purchased. There have been discussions as to ways and means of putting water on these other lands. The federal government is prepared to sit down and discuss with the provincial government ways and means of having that done. As to the amount of money which has been provided for the purpose in previous estimates, the intention was to spend a certain sum of money, something over $2 million, in the development of the ditches that have already been put in by the Canada Land and Irrigation Company for the purpose of making it possible to carry sufficient water in those ditches to supply the lands which can be irrigated to the west, and which in all probability will be developed by the province when they are developed, and to supply water for the lands to the east.

In other words, the water will have to be carried 198 miles to be exact. I was going to say 200 miles, and possibly you might remember that figure longer. The water has to be carried in the neighbourhood of 200 miles from the Bow river down beyond Calgary. Persons who drive west to Calgary on No. 1 highway travel around a little lake called McGregor lake just before they reach Calgary. That is the first storage east of Calgary having to do with that system. The ditches extend farther on, having been put there originally by the Canada Land and Irrigation Company, almost to the Saskatchewan boundary north of Medicine Hat, but those ditches east of the Vauxhall project have not been utilized to any great extent for supplying water and have remained in disuse from the time when they were first constructed in the early part of the century. It is intended to develop those projects further or at least to enter into arrangements with the provincial government under which we may give some assistance towards the development of them, but not because it is our responsibility.

It is because we realize that the costs in connection with projects of this kind are considerable, that probably some benefits will accrue to all the people of Canada because of their development, and for that reason probably we should give some assistance. I do not want the committee, or the hon. member for Medicine Hat, to go away with the idea that there is any direct responsibility, constitutional or otherwise, on this government to do that job. As long as any government, whether it be that of Alberta, Saskatchewan, Manitoba or any other province, approaches the problem by trying to convince everyone that this is a federal job, all I can say is that they are approaching it from an entirely wrong point of view. The federal government has spent nearly all the money that has been spent by any government upon these projects. Certainly practically all the money that has been spent since the present Alberta government took over the administration of that province has been spent by the dominion. I do not intend to accept the suggestion from any member of this house or any member of the government of Alberta that this government has not been meeting all its obligations. It has been going away beyond its obligations and spending millions of dollars in order to make it possible for people out in Alberta to have irrigation.

We are quite prepared to sit down and discuss the question further, but there is one thing I am going to say very plainly. We are not going to sign every document any member of the government of Alberta wants to draw up, call an agreement, sign and send down here to us. We do not intend to do that. Those are the only kind of documents before the people of Alberta or before this government at the present time. There are no agreements before this government, though we have indicated our desire and

intention to sit down and discuss this matter at any time with the government of that province, and as far as I know the government of Alberta is prepared to sit down and discuss it with us. But when someone like the hon. member for Medicine Hat gets up during an election and makes the kind of speeches he made, indicating to the people that because for the last twenty years federal governments had done nothing, the present government was not going to do anything, and that all this talk about buying Canada Land and Irrigation was only so much hot air for consumption during election time—

Mr. Wylie: On a point of privilege, Mr. Chairman, I am going to ask the minister to withdraw that statement.

Mr. Gardiner: I am not going to.

Mr. Wylie: That is one statement I have never made, that it was nothing but hot air.

Mr. Gardiner: The statement you made meant that, even if you did not say it. I have your own advertisement here, signed by yourself, and I could produce two or three more. This is by no means the worst of them, but I am going to be more than fair and read one of the milder ones.

Mr. Wylie: I don't own that paper.

Mr. Gardiner: No, but you paid for this advertisement; you published it. Here is what it says:

> As thousands of electors in this district will not be able to get into the big tent, they are interested in the answers to the following questions.

Mr. Wylie: Is that the circus tent?

Mr. Gardiner: That is the circus tent that you prepared for the people of Medicine Hat in order to induce them not to vote Liberal.

Mr. Knowles: On a point of order, Mr. Chairman, are not hon. members supposed to address the Chair?

Mr. Gardiner: I can look in the other direction and still address the Chair. The first question, Mr. Chairman, in the advertisement is this:

> What amount has been paid to the Canada Land and Irrigation Company for their interest in the irrigation scheme known as the Redcliff-Ronalane?

When that advertisement was published my hon. friend knew no one had ever said that any money had been paid the Canada Land and Irrigation Company.

Mr. Wylie: May I ask the minister what is the date of that?

Mr. Gardiner: It is the date you paid to put it in the Medicine Hat *News*, in June, 1949. At the bottom it says:

> Inserted by the Medicine Hat federal constituency social credit association. Keep in step with Alberta! Vote social credit. Wylie.

Mr. Harkness: And they did.

Mr. Gardiner: Then it goes on to say:

> When will the actual construction work start? Who has the contract for the actual work?

Mr. Johnston: We should have asked the Liberal candidate; he was probably the only one who knew.

Mr. Gardiner: And it goes on:

> How does the dominion Liberal government expect to socialize farming within the boundaries of this an autonomous province?

In other words he did not believe we were ever going to purchase the land and do anything at all about putting farmers upon it.

> Why haven't you signed the agreement between the Canada Land and the Alberta government as you had promised to sign?

Then he goes on with this:

> The people want the answers to these questions. Promises of irrigation are strictly out in this district. Keep in step with Alberta. Vote social credit. Wylie.

I say this is one of the milder advertisements. There were a number of others along slightly different lines, insinuating all the way through that this job was not going to be done. Only a few nights ago in this very chamber the hon. member made another speech of the same sort in which he insinuated that there was not much likelihood of this contract ever being carried out. It is all very well for him to say he was reading from the press. If I read everything the press has had to say about me, we would be here until next year. These things that appear in the press are the opinions of those who write them; and the only report that went out to Medicine Hat on the day indicated, no matter what the press had to say, was a report direct to the company that we were prepared to continue negotiations for the purchase of the property. Those negotiations have continued from that day until today, when it was finally agreed that the contract could be signed.

I do not want to be misunderstood, or to have someone say in the Medicine Hat *News* that the contract has been signed. I am telling hon. members, as I did a few moments ago, that the contract cannot be signed until we have completed our negotiations not only with the individual representing the company here but with the company itself, whose headquarters are located in London, England. Those negotiations are going on, and we have every reason to believe that they will be concluded successfully, that the contract will be signed, that the money will be paid and that we will proceed with the development of that project on that basis. But I want it clearly understood not only by the hon. member for Medicine Hat but by all others that the initial responsibility for this sort of thing

does not rest with this government. It rests with the government of Alberta; and it is only because we are interested in resettling an area which was originally settled by the dominion government when the natural resources were under the control of the federal authorities that this government has asked the people of Canada to take an interest in the matter. Up to the present time they have taken an interest to the extent of well over $30 million, and in these estimates we are asking hon. members to vote $7,500,000 for these larger projects and $3 million for P.F.R.A. In other words this year we are asking for $10,500,000, which is just about one-third of the total amount that has been spent since 1936 in carrying on all these P.F.R.A. activities throughout the three prairie provinces. As soon as the estimates are through the house we are prepared to sit down with the government of Alberta and discuss what they think ought to be assumed by the federal government. At the same time we shall feel quite free to suggest what we think they should assume in order to get these projects under way. I am quite sure that when we do get together we will be able to reach satisfactory conclusions, providing the hon. member for Medicine Hat does not make too many speeches.

Mr. Wylie: I have no intention of carrying on a verbal battle with the Minister of Agriculture.

An hon. Member: What are you doing?

Mr. Wylie: What are you doing sitting over there? May I say this. In fairness, I think the minister should read some of the advertisements which were put in the paper by the Liberal candidate in the constituency and which precipitated these questions. If those were read, I think hon. members would understand why these questions were asked. When you have someone going around the constituency saying that the deal is all through—and the same thing appeared on the 29th of last month—something which is not true according to the minister's own words in a telephone communication with the defeated Liberal candidate, then I think it is time that something was done.

I have no intention of holding up any of the irrigation works. I believe that we should do everything possible to complete every project. I do not entirely blame the provincial government of any province, as the minister does. I have listened to campaign speeches in Saskatchewan where they have accepted the responsibility of getting some of these projects. I have heard what they are going to do with that dam across the Saskatchewan river. They have told us about that. I am sure that some of my C.C.F. friends can back me up on that. I think it is fairly well understood that, with respect to that irrigation project mentioned in the Meek report, the main responsibility falls on the dominion government. I think that was fairly well understood in that report.

Mr. Gardiner: That is not in the report.

Mr. Wylie: It is in the report, and I think it is fairly well understood that the main responsibility falls upon the dominion government. No matter what the Minister of Agriculture says about the government of Alberta, I may say this in connection with the Canada Land and Irrigation Company. The dominion government had their experts; the Canada Land and Irrigation Company had their manager, Dave W. Hays; and the provincial government had some men on it. They investigated the whole situation and they agreed as to the amount each would carry. The provincial government signed that agreement and sent it down to Ottawa for the signature of the dominion government. We are still waiting for that. Now that the project is taken over by the dominion government, there is no need to sign that tripartite agreement. But may I ask the minister this question. When the dominion government bought out the Canada Land and Irrigation Company, did they consult the provincial government?

Mr. Gardiner: Yes.

Mr. Wylie: Did the provincial government agree?

Mr. Gardiner: Yes.

Mr. Weir: Next question.

Mr. Wylie: The minister says that the provincial government did agree to the purchase of this company by the dominion government. According to the minister's statement, and according to some press reports from Ottawa, the provincial government had about $1,500,000 ready to put into the purchase of the agreement.

Mr. Gardiner: No, they did not.

Mr. Wylie: I am going to read you the press report. You do not have to take my word for it.

Mr. Gardiner: You can get into difficulties when you go to the press too much.

Mr. Wylie: I may be getting into difficulty but I am sure I am not in the difficulty that the minister is in. At no time did the provincial government say that they would assist in the purchase of the Canada Land and Irrigation Company?

Mr. Gardiner: No, not to us.

Mr. Wylie: I doubt very much if the provincial government ever agreed, or ever said to the Minister of Agriculture that they would like to see the dominion government take over that project.

Mr. Gardiner: Does my hon. friend doubt my word? Is that what he is saying? Is he saying that he thinks I am lying about it? I went to Edmonton prior to getting the firm offer from the Canada Land and Irrigation Company. I met four of the members of the government, including the premier, in the premier's office. One of the gentlemen sitting here at the table in front of me was with me at the time. I presented the whole project to them, just as it has been carried through. They agreed that it was the best possible thing to do; and as a matter of fact there are letters on file to the same effect. There is not any question about that at all. It was agreed to by the provincial government when four members of the government were present.

Mr. Thatcher: I must say a word on this matter. Some people may be facetious about the south Saskatchewan irrigation project if they want to be, but the fact remains that the constituency in which I live happens to be in the dust bowl; and I can tell hon. members that drought conditions this year again are serious, as the hon. member for Regina City pointed out. At one time this year you could go out in an automobile on a highway and not be able to see the front of the engine because the dust was blowing so badly. You could go out on the golf course and try to putt your ball into the hole on a green but there were so many grasshoppers in the way that it would not go straight.

An hon. Member: Do you blame the Minister of Agriculture for that?

Mr. Thatcher: The situation is serious. I am amazed to hear the Minister of Agriculture tonight get up and state that irrigation is not the responsibility of the federal government—and that is what he said, if I understood him correctly—because for forty years the Liberal party has been promising at every federal election and every provincial election that they were going to take effective action on irrigation. I remember what happened back in 1940. We have a little creek in the town of Moose Jaw not far from the main street. I remember the Liberal candidate getting up to speak, and from the way he talked I thought ships would be sailing down that Moose Jaw creek from Hudson bay. In 1945 I remember the minister and his party made a specific promise about the south Saskatchewan irrigation project. I have quoted it before in the house, and I am going to quote it again. This promise was carried in the Moose Jaw *Times* on June 9, 1945—not this election but the one before. The advertisement reads:

> The south Saskatchewan irrigation project will be commenced immediately men and material are available—it has been approved.

In 1945 the Liberal party stated: "It has been approved". What has happened to it? That was a straightforward statement which did not carry any qualifications that could not be met today. Yet nothing has been done. We saw the same thing in the by-election in which the hon. member for Rosthern was elected. Here is another clipping which says in effect: Elect the Liberals and you will get irrigation projects. Here is another one from the minister's nominating convention: Elect the Liberals. We will do something about irrigation.

The hon. member for Regina City was speaking a few moments ago. Here is one of his promises:

> Water for Regina!!
> Never before in the history of our city has the need for a new water supply been so urgent and immediate . . .
> Probe failed to get you a new water supply—let McCusker do it!

I say, let's get going. I want to help McCusker do it, and I want the minister to help him do it. The advertisement of the hon. member for Regina City went on to say:

> The failing water supply in Regina endangers the health of the people . . .
> Recourse to rigorous water rationing is an ever-present threat to every householder.
> Unless immediate steps are taken to cope with this crisis, Regina faces the greatest drought in her history.

And so on.

Mr. McCusker: You are just making my speech again.

Mr. Thatcher:

> A personal pledge.
> As your elected Liberal member for Regina in a Liberal government at Ottawa, I would use every resource at my command to get immediate action on a new water supply.

Every Liberal member for the past twenty-five or thirty years, as they have gone into that dust bowl area, has been talking about the south Saskatchewan irrigation project. I say that the time has come for the Liberal party to give us a little bit of action and not so many words. This estimate tonight means only one thing to the people of Saskatchewan and the people on the prairies. Only two million dollars for irrigation surveys means that once again the Liberal party is reneging on specific election promises. Once again the Liberal party is doing nothing, or

very little in a concrete way, about this south Saskatchewan irrigation project which is needed so badly.

The minister is a Saskatchewan minister. Quite true, he represents all Canada, but first of all he represents Saskatchewan. I am happy indeed to see some work being done in Alberta; but I hope the minister will use his influence soon to start at least one major project in his own province of Saskatchewan which elects him, and where it is needed far worse. I think this estimate that the minister brings down tonight is a national disgrace. I think it is a national tragedy.

Mr. Low: I was very much interested in the statement made by the Minister of Agriculture, and while I am not going to enter into the pretty strong debate that has developed on irrigation, for my own information I should like to ask the minister some questions about the statement he made. If I remember correctly he said that he was not going to sign any old agreement that the province of Alberta, or somebody in that province, wants to send down already signed. If I am wrong in these words I should like the minister to correct me. Have the federal government executed any agreement between themselves and the government of Alberta for the completion of the works and the colonization of the St. Mary river irrigation development? If they have not, then I should like the minister to tell the committee why not. If they have I should like the minister to tell us when it was executed. If I am not mistaken the federal government has already spent around $2,750,000 on that project, which is a commendable thing.

Mr. Gardiner: Over $5 million.

Mr. Low: Over $5 million to date. That is even better.

Mr. Gardiner: That is a pretty good signature.

Mr. Low: I quite agree, but the minister must realize that, if there is no agreement between the federal government and the provincial government with respect to the completion and the colonization of that project, then he must admit that the federal government has gone a long way toward telling this country that irrigation is a federal responsibility. I am serious about this and not acrimonious at all. The minister ought to know, before he answers these questions, that there are certain newspaper writers in this country who are trying to make the people believe that the Alberta government does not want to sign an agreement. I say that these newspaper writers, one of whom is T. H. Grey, have been writing in some of the western papers and eastern papers lately. I want to say for the benefit of Mr. Grey, and of others, that the province of Alberta does want to sign an agreement, and they have been after the minister to get the agreement.

Mr. Gardiner: The hon. member is hardly correct. They have sent an agreement down signed by themselves which was never entered into by us.

Mr. Low: I know that it has never been entered into by the dominion government. Let me ask this question. Was that agreement not drafted by a representative of the government of the province of Alberta sitting with a representative of the federal government?

Mr. Gardiner: No, it was not.

Mr. Low: That is my information. I would like the minister to answer the question.

Mr. Gardiner: The question asked by the leader of the Social Credit party is a fair one and I shall try to give him a fair answer. There have been no, what are called, large irrigation projects undertaken up to date in western Canada. The policy with regard to large irrigation projects has not yet been established as between the dominion government and the provincial governments, but some few years ago the United States took the position that unless we were going to utilize the water in the St. Mary river they would probably use it. The members of the water development committee did say at that time that they thought these waters ought to be conserved in Canada, and because of this decision something ought to be done toward conserving them. Discussion started as between the government of Alberta and the government of Canada. No agreement was reached with regard to the matter. But the Canadian government took this position, that farmers could not remain on lands in Alberta, or in any other part of western Canada, if they had to pay what amounted in costs to more than $10 an acre of the lands that were going to be irrigated. Therefore they said that if it was going to cost say $40 an acre or $50 an acre to put in the works that made it possible to have the land irrigated, then the farmer himself could not pay the amount and at the same time pay his water charges and pay the taxes on his land and all the costs of operation. Therefore somebody ought to do something about establishing the capital works.

We said that we were prepared to put in the main dam. In other words we were prepared to establish the storage in the St. Mary river and thus start to utilize waters which otherwise might have been taken into the United States. When we said that, the

provincial government asked us not only to build the dam in the St. Mary river but to build the storage at Pothole which is a small lake that forms the storage and is about thirty-five miles from the main dam. They asked us to pay at least some part of the cost of digging the ditch from the main dam to Pothole, some thirty-five miles, and then to pay some part of the cost of Pothole as a secondary storage. We said that we were not prepared to discuss the question as to where the division of costs should end, but that we would go ahead with the construction of the dam in order to maintain the position in relation to the United States.

As has been said, the costs that we are going to be put to there will run up toward $20 million before we are through. We have spent about $5 million. At that time the province said that they were prepared to pay the cost of Pothole and Pothole has been constructed and paid for by the provincial government; but they agreed to pay the cost of Pothole conditionally upon the federal government entering into an agreement later on to pay some part of the costs at least as far as Pothole.

Mr. Low: To make that a part of the big project.

Mr. Gardiner: To make that a part of the original project which was not to be capitalized on the land itself. The undertaking given was that whatever arrangement was made finally with regard to the works between the main dam and Pothole or beyond Pothole was to apply to Pothole itself. So that the present position is that the provincial government has paid for Pothole, and we have paid for all the works on the main dam, and negotiations are still continuing with regard to the other matters.

The document which has been sent down here relating to the construction of works, having to do with the St. Mary dam, is a document which provides for very extensive expenditures over a very extensive program. The agreement reached between the provincial government and the federal government some two years ago in the offices at Edmonton, when I myself was there, was to the effect that whatever principles we were going to follow in other large projects in western Canada would be established in relation to the construction of the St. Mary dam and any lands which were irrigated from that dam.

That is the general agreement that was entered into by word of mouth—it is not in writing, although it may be in some letters which have passed. But it was an agreement reached through discussion, namely that whatever arrangements were finally made with regard to the division of costs in connection with the St. Mary dam and the waters stored there would be followed in particular in connection with other large projects.

In answer to the direct question: "Has any agreement on the question been signed", the answer is no. I accept the document which was sent here by the provincial government, drawn up on the basis upon which they thought payments ought to be made and in that document—

Mr. Low: Is that correct? Is it correct, in view of the fact that your own representatives assisted in the drafting of that document?

Mr. Gardiner: I understand that the provincial government applied to our office, as the only source from which information could be obtained, for all of the engineering information with regard to the project. And, basing their conclusions upon the information thus obtained, they asked that certain things be done, and wrote them into the form of what they would like to see under an agreement, and have sent it down to Ottawa.

Mr. Low: Just at that point—and I am only asking for information, because we have to clarify this matter—is it not true that at the time that document was sent, or just after that, you told the people in Alberta that you could not very well enter into any agreement or attempt to sign an agreement until the election was over?

Mr. Gardiner: What is that?

Mr. Low: Is it not true that you told people in Alberta, with respect to this very agreement we are talking about, that you could not attempt to enter into any such agreement until after the election?

Mr. Gardiner: No, I did not tell them that. They may have assumed from the discussion that probably we would not; but I did not at any time tell them that. I am quite sure that, if I had entered into any agreement while the election was on, the speech made by the hon. member for Medicine Hat with regard to what was said there would be mild when compared with what my hon. friends would be saying. I certainly did not enter into any undertaking to make any agreement with them immediately preceding the election; and I would not have done so, even if I had been in a position to do so—which I was not.

And I am not in a position to sign any agreement with them yet. The reason is that the document which has been submitted to us asks that we not only foot all the bills for the St. Mary dam, and all the bills for Pothole, but that we assume all the expenditures for storage at Ridge, and all the storage at

Chin and all the storage at Horsefly, over to the southwest of Medicine Hat; and that we assume all the cost of digging all the ditches to connect all these storages.

They say, "If you will do all that, then we under our act will do certain things." The hon. member for Moose Jaw says, "Whose obligation is it?" Well, I was minister of highways in the Saskatchewan government for five years, and while I talked about irrigation I was not talking about anybody at Ottawa doing the job of irrigation. I was talking about my own department doing it. When I was minister of highways we had an irrigation act. We have not an irrigation act here; irrigation acts are on the statute books of provincial legislatures.

So the Alberta government asks us to do all the work to deliver the water right to the door of the farmer—and when I refer to the door of the farmer I refer to the point where the farmer takes the water out of the main ditch. They say, "If you will do that, then under our irrigation act we will organize the farmers into irrigation districts, and we will finance the construction of work in those areas, and then we will turn around and charge the farmer for the cost that we put up."

What we say in regard to that is this, that the provincial government ought to share some of the capital cost, which reduces the total cost per acre from some $40 or $50 down to the $10 that the farmer can pay, and that no part of that money ought to be collected back from the farmer. We say the federal government should put up something and the provincial government should put up something; and whatever that amount is, it should be charged up to the capital cost which the farmer is not going to be required to pay, in order that his costs may be reduced down to the $10.

My personal opinion about that is that when you take all the works for which we are responsible, including the original dam, we would be assuming far more than our total responsibility, whatever that responsibility might be based upon, whether it is a legal responsibility or a national responsibility. We would not be very far from the mark if the provincial government became responsible for half of the cost and the federal government became responsible for the other half.

Mr. Thatcher: Does the minister suggest that for the south Saskatchewan project, also?

Mr. Gardiner: I have told my hon. friend that whatever we finally decide with the Alberta government as being the principle to be applied will be applied to all of them. The difference between the project in Alberta and the project on the south Saskatchewan river is that back beyond the St. Mary storage there is another storage known as the Waterton lakes. Only today in our city of Ottawa the international joint commission held a hearing to decide the question as to whether that water belongs to the United States or to Canada, and certain findings were made with regard to it.

I do not know what those findings were, because the document is not yet made public. It will probably be out in a day or two. In any case, they have been deciding the question as to what part of that water belongs to Canada and what part belongs to the United States. A ditch about two or three times as long as the one between the St. Mary dam and Pothole would have to be constructed to take the water from Waterton lake to St. Mary dam. That water again would be required before you could irrigate the 500,000 acres of land extending east from Lethbridge upon which water can be placed—if we can get enough water to irrigate it.

As we go along, when once the federal government has entered into an agreement with regard to St. Mary, the same principles would apply with regard to the other storages. I do not know how many years it will take to do one job; but the position we are taking is that we should establish a principle on the basis of whatever we are going to do at St. Mary, and apply those principles to the other projects. That is the present position in relation to it. I do not know whether I have answered the questions asked.

Mr. Low: I wish to thank the minister for travelling forty-five miles when he could have answered the question by a simple yes or no. I quite realize however that it was difficult for him to answer yes or no, and to give a proper impression. Now—

Mr. Gardiner: That is why you would like me to say yes or no.

Mr. Low: I simply asked the question whether you had or had not signed the agreement.

Mr. Gardiner: But my hon. friend should realize this, that there is not any agreement to sign.

Mr. Low: That is right.

Mr. Gardiner: When there is an agreement we will certainly sign it, but there is not any agreement to sign.

Mr. Low: That is perfectly correct, but in the statement the minister made just before

I asked my question he implied that Alberta had been quite derelict in its duty and responsibility toward irrigation. In fact he made the statement, I think quite clearly, that Alberta had not done anything about irrigation.

Mr. Gardiner: Just let me put my hon. friend straight. The hon. member for Medicine Hat was asking what the federal government was going to do about the lands east of the Vauxhall project and the lands west of that project. I said that that was the responsibility of the provincial government because they owned the land. We know what we are going to do about the lands that we own.

Mr. Low: What the minister said was that since the Social Credit government came into power in Alberta it had done nothing about irrigation.

Mr. Gardiner: I did not say "nothing," I said that they had not done very much. As a matter of fact I have just told you that they had done one thing: they built the dam at Pothole. I would like to know what else they did?

Mr. Low: The minister did not say that at first.

Mr. Gardiner: And they expect us to pay for it.

Mr. Low: The minister knows that that is not true.

Mr. Gardiner: It is hardly true because we actually built the dam but they paid for it.

Mr. Low: You paid for it.

Mr. Gardiner: They expect us to pay them the amount of money that they paid for it.

Mr. Low: That is not true either and the minister knows it.

Mr. Gardiner: That is exactly true.

Mr. Low: The minister knows that the Alberta government went ahead in good faith with nothing but a verbal agreement. They had had experience with the federal government before with verbal agreements, but they completed the Pothole storage and canals.

Mr. Gardiner: It is a written agreement.

Mr. Low: They went ahead with a verbal agreement and the understanding was that when the St. Mary river project was completed this would be entered as part of that project and whatever the cost was it would be allowed to apply with respect to the Pothole project.

Mr. Gardiner: That is all in writing.

Mr. Low: The minister comes here and says, "They expect us to pay them for it." That is not playing the game.

Mr. Gardiner: That is playing the game. I can produce it from the records. It appears in the documents that they asked us to pay it.

Mr. Thatcher: I think this debate becomes more serious as the minister proceeds, because he has enunciated tonight an entirely new irrigation policy for the Dominion of Canada, when he suggests that the province should pay a portion of the cost of irrigation projects. He has never taken such an attitude before in the many years he has been promising irrigation projects. What does that mean to the west? The budget for the province of Saskatchewan last year was approximately $53 million and I admit quite frankly that we had a fairly difficult time in balancing that budget.

Some hon. Members: Oh, oh.

Mr. Thatcher: Hon. members may laugh if they will, but this is a pretty serious matter for my constituency and my province. If we are going to have to pay one-half or one-quarter or some proportion of the cost of the south Saskatchewan irrigation project, the financial position of the province is such that we may have to wait fifty years for its completion. The minister knows that very well.

Mr. Gardiner: If we have a C.C.F. government.

Mr. Thatcher: I think Alberta is in precisely the same position. What the minister is telling us tonight is that the federal government, a government that had a surplus of a billion dollars three years ago, a billion dollars or more two years ago, and about a billion dollars this year, a government that has had those huge revenues, is now calling upon the provincial governments to help pay for major irrigation works. I think that is shameful. I think this committee should hold up these estimates indefinitely if he is going to continue along those lines. I do not know whether that is possible, but I shall do my best. I sat in this parliament during 1945 and 1946 when hundreds of millions of dollars were voted as gifts and loans to countries overseas. Probably a good deal of that was justified but surely—

Mr. Mitchell: My hon. friend voted for it.

Mr. Thatcher: That is not correct. If this government can be so generous with other nations, why should it find so much trouble in providing money for projects at home that are needed so badly? The minister and this

parliament know the advantages of irrigation. I assure the minister that if this is a new policy he has enunciated tonight it will not receive wide acceptance in western Canada.

Mr. Gardiner: This is not a new policy being enunciated tonight; it has been enunciated every time I have spoken on the question in the House of Commons.

Mr. Thatcher: Oh.

Mr. Gardiner: It has been enunciated every time I spoke on the question in western Canada.

Mr. Thatcher: Oh my.

Mr. Gardiner: My hon. friend does not come to my meetings. He usually has to read the C.C.F. press to find out what I have said. Coming back to this question of whether the south Saskatchewan river project should be built with the assistance of the provincial government, may I say that, when the present government of Saskatchewan took over, the revenues of the province were about $32 million. According to the statement made a few moments ago those revenues are now about $53 million.

Mr. Thatcher: We are building roads and giving some social services.

Mr. Gardiner: If the south Saskatchewan river project was built under conditions that existed some three or four years ago it would cost in the neighbourhood of $60 million.

Mr. Wright: What would it cost today?

Mr. Gardiner: If it had to be built under conditions as they are today that amount would be increased by perhaps $10 million or maybe a little more. But it would be absolutely impossible to construct the south Saskatchewan river project in less than ten years. The total expenditure required would be averaged out over that period of time at somewhere between $6 million and $8 million per year. Is my hon. friend telling me that a province that can raise $20 million more—as a matter of fact he told us a while ago that they were not able to raise it—

Mr. Thatcher: I said nothing of the kind.

Mr. Gardiner: My hon. friend said that they were having difficulty balancing their budget.

Mr. Thatcher: That is different.

Mr. Gardiner: It is the same thing to me. On two occasions I was provincial treasurer of Saskatchewan and I know how difficult it is to raise money in Saskatchewan. That government undertook this year to spend $53 million, which is about $20 million more than was spent in the last year before they came into office.

Mr. Thatcher: The federal government spent five times as much as they did in the same year.

Mr. Gardiner: The federal government gave this present government $15 million, and that is $10 million more than they gave the previous government. If the government of Saskatchewan can raise $20 million more, I think there is a good argument for saying that they can pay $3 million or $4 million a year in order to have this irrigation project carried out in that period of time.

I am not arguing that that is going to be the final outcome of our discussions, but if that is the outcome of our discussions with regard to the St. Mary river project, it will have to be applied all the way across the board. If the final decision is that we pay two-thirds and the province pays one-third of the cost, that will have to be applied all the way across the board. In other words, we will have to treat one government just the same as we treat any other government.

With regard to that, I should like to say that we are doing a similar thing in the maritime provinces. Down there we are constructing dikes in the marshlands and the undertaking is that they will pay one-third, the farmers will pay one-third and we will pay one-third. The same principle runs through that expenditure as I have enunciated in connection with the irrigation projects. I think under the arrangements that are being made down there the expenditures made by the provincial and by the federal government will be money spent and then the farmers will have to pay the other third in the form of rates charged against their land. That may work out to be the general policy right across Canada. We do not intend to apply it any differently in Saskatchewan from what we do in the other provinces. I expect we will get the same results in Saskatchewan, when we finally come to deal with it there, as we have had in Alberta and elsewhere.

Before I sit down I want to answer the first questions that were asked and which I had almost forgotten. The member for Regina City started this discussion, and we have gone all the way round the board. I should like to come back to Regina before we close. I should like to say a few words in reply—

Mr. Thatcher: Moose Jaw too.

Mr. Gardiner: When anything is done for Regina, Moose Jaw always comes in for a share.

Mr. Thatcher: Always?

Mr. Gardiner: Practically always.

An hon. Member: We always look after our suburbs.

Mr. Gardiner: The fact is that the storage of water that would be provided by the construction of the south Saskatchewan dam would be nearer to Moose Jaw than it would be to Regina, and Buffalo Pound lake is nearer to Moose Jaw than Regina. Any work that is done in order to assist Regina will assist Moose Jaw. The water passes along the way and can be taken down to Moose Jaw without as much ditch being dug as is required for Regina.

The question that was asked by the hon. member for Regina City is whether there is sufficient money in the estimates, as they are now brought down, to take care of any work which might be necessary to take water out of the Saskatchewan river, pump it over the height of land, run it down into Buffalo Pound lake, and keep the level of that lake sufficiently high to make it possible for Regina and Moose Jaw to take water out of it over the period during which construction of the south Saskatchewan dam may be taking place. All I can say about that is that there is enough money in the estimates, but it is not definitely stated anywhere in the estimates, or in connection with them, that the money will be spent for that purpose. There is $2 million in the estimates to take care of anything that we may require to do touching upon the south Saskatchewan river project which will help to determine the question whether or not we should proceed with it. It is conceivable that money could be taken out of that vote in order to do this job.

The present position is that representatives from Regina came down here and asked us what we were prepared to do. Representatives of the Saskatchewan government also came with them. The representatives of the Saskatchewan government presented the case to us, which was to the effect that they thought we should spend all the money in order to provide for the taking of water to the city of Regina. We replied then exactly as I have replied to the house tonight. We said that it was not our responsibility, that it was the provincial government's responsibility, and asked them what they were prepared to do. In reply to that the city of Regina said that they were prepared to find one-third of the cost, and the representatives of the provincial government refused to say that they would find one-third of the cost. It was suggested to them, not by myself but by the minister concerned, that the government might give some consideration to the proposal if they put forward a three-way proposition, but up until now such a proposition has not been made.

That is the present position of the whole project. There is sufficient money in the vote to take care of anything that might require to be done, provided it can be shown to be a part of the south Saskatchewan project—and I believe this might be shown to be. The government intimated that they were prepared to consider a proposition put to them by the city of Regina and the province combined. Up to now we have not had a proposition of that type.

Mr. Thatcher: Will the minister say whether this estimate means that no actual construction work will be commenced this year on the south Saskatchewan irrigation project?

Mr. Gardiner: I think that was the intimation given to the house when the estimate was first brought down, which was prior to the election. This is the same estimate as was brought down last spring.

Mr. Thatcher: But you are not talking the same way.

Mr. Gardiner: Oh, yes, I am talking exactly the same way. Members of the committee and of the house asked the same questions then as are being asked now and tried to force the government to take the position that we were going to proceed with construction. We said that it was necessary to spend another $2 million before we could make a definite decision on the question whether we should proceed with construction. That $2 million is in this estimate. Up to now we have committed ourselves to an expenditure of $634,000 out of the $2 million, and we have a considerable number of months to run. In other words, we have spent a considerable part of the first six months' allotment from the vote down to the end of the six-month period.

Mr. Harkness: I should first like to correct a small item of geographic misinformation on the part of the minister a short time ago. The irrigation lake immediately to the east of Calgary, which the minister mentioned in reference to the highway passing it, is not McGregor lake but Chestermere lake. McGregor lake is considerably to the south of that. I hope that the minister will not produce a newspaper advertisement to prove to me that those two lakes had changed places.

I was glad to have the minister give us some information in connection with the St. Mary river dam and irrigation project. I should like to ask a few more questions about

it. He will remember when this matter was last before the house on his estimates we had a considerable discussion about the St. Mary river project. At that time it developed that the original contractors for the rock tunnels, and so forth, were in difficulty, and I believe the contract was taken away from them and given to somebody else. Will the minister tell us whether the rock tunnels have been completed, if the amount of $2,200,000 which we voted last year covers those rock tunnels, and if any portion of the $2,900,000 which we are now voting is for the purpose of those rock tunnels? If it is not for that, or a major portion of it, I wonder if he would tell us how much of that has been expended on the earth fill, the water gate construction and so forth, and also what stage of completion the St. Mary river dam has reached. Would he also tell us about the work which is going on at the present time and when the project is likely to be completed.

Mr. Gardiner: The dam is 125 feet high now and it will be 190 feet when it is completed, which will be about a year from now?

Mr. Harkness: It will be completed about a year from now?

Mr. Gardiner: We figure it can easily be completed by a year from now. The spillway, which I understand the hon. member has in mind, which has been decided upon, and which is somewhat of a change from the original plan—

Mr. Harkness: Is that the one tunnel that is used?

Mr. Gardiner: Wait till I get through with the spillway; then I will deal with the tunnel. The proposal has been made that the spillway should be constructed by the contractor who is now on the job at the same unit rates as he gave in his contract in 1946. I think anyone will agree that rates established on a contract in 1946 would be comparatively low if applied to a contract now, and we are considering whether something should be done in respect to the present contractor. The concrete part of the structure is such that there were no unit prices in the original tender, and we shall be calling for tenders on that, whatever may be done with regard to the remainder.

Mr. Harkness: What do you mean by unit prices?

Mr. Gardiner: So much per yard of earth, so much per yard of rock, and so on. First a tunnel had to be put through in order to take the water by the dam. Then a tunnel had to be put through to take the water from the dam down to where it is delivered into the ditch for irrigation purposes. These tunnels were through a sort of sand rock in both cases. The diversion tunnel is not quite as long as the irrigation tunnel. It is true, as was stated, that tenders were called on both tunnels back in 1946. Three concerns tendered. At the time it was intimated to us by our engineers that the work could not be done at the unit prices of the lowest bidder.

Mr. Harkness: That was Bennett and White?

Mr. Gardiner: Yes. We called in the contractors and explained to them that this was our information, but they said they could put in the tunnels at the prices they had quoted. We had our advisory engineer from the United States, General Ferguson, who has had great experience with dams of this kind, come up and look over the project. He saw Bennett and White and gave it as his opinion that he doubted whether the work could be done at the prices they were quoting. They still insisted that they could do it at those prices. We told them that this was the first project of the kind we were undertaking, and we said, "We cannot go ahead accepting bids on a basis on which, according to the best engineers, the work cannot be done, and then later find ourselves in the position of having to raise the price above the bid of the second bidder or even perhaps above that of the highest bidder. We cannot get into that position". In spite of that they said they were prepared to go ahead, and they did so. Their costs ran higher than the figure quoted by the second bidder, and I think even higher than those of the highest bidder. After some discussion they asked for further payments. We called attention to the discussions that had taken place in the beginning, and finally it was agreed that it would be better for them to quit their contract on completion of their first tunnel and allow the job to be carried on by someone else. The work has been given on a cost plus basis to the second bidder.

Mr. Harkness: Who was that?

Mr. Gardiner: The Assiniboia Construction Company. They are working on it now. The second tunnel has been completed as far as boring through the rock is concerned, and they are now completing the work of cementing the inside of the tunnel. So the job is being completed within the time set when the second contract was let.

Mr. Harkness: Then I take it from what the minister has said that a considerable portion of this $2,900,000 we are now voting—

Mr. Gardiner: About $910,000.

Mr. Harkness: —is for this tunnel.

Mr. Gardiner: Yes.

Mr. Harkness: The minister said the contract for the second tunnel was given to another company on a cost plus basis. I wonder if the minister would tell us, if he has the information, where the rock tunnellers working on that contract came from and if their cost is included in the cost plus figure.

Mr. Gardiner: The men doing the work are miners from British Columbia. Even in Alberta we sometimes have to get help from British Columbia. Our information, which I think is correct, is that one of the best tunnellers in Canada is Stevens of Vancouver. Stevens was obtained by the Assiniboia Construction Company to take charge of this work, and I understand the plan is that this man makes his agreement with the miners who are brought down to do the job, and the work is done by them on the basis of agreements made with him.

Mr. Harkness: It is a subcontract, then?

Mr. Gardiner: Yes. Then that is allowed as part of the cost, and the work proceeds on that basis.

Mr. Quelch: I have three or four questions to ask, but it is almost eleven o'clock.

Progress reported.

Business of the House

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we shall take up first resolution No. 10 on today's order paper in the name of the Minister of of Justice, concerning the Royal Canadian Mounted Police Act; then resolution No. 9 of the Minister of Justice concerning the Judges Act, 1946. Then we will go into committee of the whole on Bill No. 8 to amend the Exchequer Court Act; then Bill No. 9, to amend the Department of Justice Act. From eight to nine o'clock will be public bills and orders, and then we will take up estimates: Agriculture, Veterans Affairs and Labour.

Mr. Green: In that order?

Mr. Fournier (Hull): I could not say as to the last two departments, but Agriculture will be first.

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

[The following items were passed in committee of supply]:

DEPARTMENT OF AGRICULTURE

29. Marketing of agricultural products, including temporary appointments that may be required to be made notwithstanding anything contained in the Civil Service Act, the amount available for such appointments not to exceed $6,000, $75,000.

Special—

30. Prairie Farm Rehabilitation Act and water storage, $3,000,000.

HOUSE OF COMMONS

Friday, October 14, 1949

The house met at three o'clock.

CIVIL SERVICE

SUPERANNUATION—REFERENCE TO REPORT IN MONTREAL "GAZETTE" OF OCTOBER 14

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. This morning's issue of the Montreal *Gazette* contains the following:

A total of 1,106 federal civil servants or their widows are receiving pensions of less than $200 a month, it was shown today in a Commons return tabled for Stanley Knowles (C.C.F.—Winnipeg North Centre).

I hold in my hand the return in question, sessional paper No. 100A, tabled yesterday, which shows that 1,106 federal civil servants or their widows are receiving pensions of less than—please note—$20 a month.

An hon. Member: Shame.

ANIMAL CONTAGIOUS DISEASES ACT

ADDITIONAL COMPENSATION TO OWNERS OF SLAUGHTERED CATTLE

Right Hon. J. G. Gardiner (Minister of Agriculture) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to present a bill to amend the Animal Contagious Diseases Act to provide changes in the limitation of value determined by the minister in respect to compensation that may be paid owners of slaughtered cattle; to provide additional compensation in respect to certain cattle slaughtered before the commencement of the amending act but after March 31, 1947, and for the repeal of the basis of compensation provisions.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

VETERANS AFFAIRS

DEVALUATION OF POUND STERLING—IMPERIAL EX-SERVICEMEN IN CANADA

On the orders of the day:

Mr. T. L. Church (Broadview): I should like to address a question to the Minister of Veterans Affairs, notice of which I sent him yesterday. It relates to the devaluation of the pound as it affects Canadians who served in the imperial forces. The minister wrote me a note yesterday which reads as follows:

I take it from your note that you will ask a question tomorrow under orders of the day. Perhaps you will send me a copy of your question, and I shall try to give a clear-cut reply.

I sent the minister a copy of my question.

Hon. Milton F. Gregg (Minister of Veterans Affairs): The hon. member was kind enough to give me notice yesterday of his intention to ask this question today.

First of all I wish to express regret that earlier discussions of this matter have been misinterpreted across the country, and I should like to make this statement as clear as I possibly can. The question which the hon. member sent me reads as follows:

I wish to ask a question of the Minister of Veterans Affairs. It is in relation to the devaluation of the pound regarding those imperial veterans who reside in Canada, as there has been considerable misunderstanding about the effect of this regarding those who live in Canada.

Would the minister clarify it, as it is said that those who have resided in Canada for some time would not lose any money by the same? I sent him some letters on this subject, and he wrote me yesterday as follows:

"Dear Mr. Church:

I am sorry if the matter has been misunderstood. I take it from your note that you will ask a question tomorrow under orders of the day. Perhaps you will send me a copy of your question, and I shall try to give a clear-cut reply.

Sincerely,

Milton Gregg."

In reply I would say that a supplementary award from the Canadian pension commission is accorded to those Canadians who were domiciled in Canada prior to enlistment and who served in the imperial forces, and have been awarded a disability pension from the British ministry of pensions. To these Canadians our pension commission make a supplementary award bringing their pension up to the rate which they would have received had they served with Canadian forces. I should like to make it clear that this is a very special group who, naturally, are not worried. I now come to others who are worried, and about whom all of us are much concerned. No action is contemplated for those without prewar domicile in Canada whose disability pension from British sources is not being augmented or supplemented by the Canadian pension commission. Likewise no action is being taken with respect to those in receipt of long-service pensions, as distinct from disability pensions, from the British armed

services. The extra assistance applies only to Canadians who are already receiving a Canadian supplement to their British disability pension.

Mr. Church: It applies only to those who resided in Canada for some time before the war.

CHINA

REQUEST FOR STATEMENT OF GOVERNMENT POLICY

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, an Associated Press dispatch from San Francisco, published this morning, indicates that the Hon. T. C. Davis, Canadian ambassador to China, had stated upon arrival there that he believed it possible to do business with communist China. The heading states, "Can do business with China Reds: Canadian envoy." I presume the Hon. Mr. Davis will be here over the week end, and I wish to ask whether the government will make a statement early in the week as to Canadian policy with respect to China.

Hon. Brooke Claxton (Minister of National Defence): The government will be glad indeed to do that.

BELL TELEPHONE COMPANY

APPLICATION FOR RATE INCREASE IN ONTARIO AND QUEBEC

On the orders of the day:

Mr. Stanley Knowles (Winnipeg North Centre): I should like to ask a question of the Minister of Transport. What is the government's attitude toward the Bell Telephone Company's application to the board of transport commissioners for a substantial increase in rates?

Hon. Lionel Chevrier (Minister of Transport): That is not a question which should be asked on the orders of the day, and I think no one knows it better than my hon. friend. In any event—

Mr. Knowles: The minister should not try to evade my question.

Mr. Chevrier: I am going to answer it. As the hon. member knows, or should know, the government is not directly concerned with the application of the Bell Telephone Company. That is a matter which is properly before the board of transport commissioners, and it is for them to adjudicate upon. If any parties feel themselves aggrieved by the board's decision, they have the right to appeal, as my hon. friend knows.

Mr. Cruickshank: Including himself.

[Mr. Gregg.]

Mr. Fulton: I should like to ask a supplementary question. In view of the fact that the government operates telephone services in various parts of this country, is not the government in fact concerned in this application?

Mr. Chevrier: If my hon. friend were familiar with the circumstances he would not have asked that question. This is an application by the Bell Telephone Company of Canada for an increase in their tariffs in respect of their telephone lines in the provinces of Ontario and Quebec. It does not concern telephone lines of the dominion government.

Mr. Knowles: The company has broken its promise to this house of a year and a half ago.

ROYAL CANADIAN MOUNTED POLICE

INCREASE IN REFUND PAYABLE IN RESPECT TO PRIOR SERVICE BEYOND MAXIMUM PENSION PERIOD

Hon. Stuart S. Garson (Minister of Justice) moved that the house go into committee to consider the following resolution:

That it is expedient to amend the Royal Canadian Mounted Police Act by increasing the amount of refund payable to members of the force in respect to prior service in a provincial police force where they were retained in the force beyond the maximum period of service that may be counted for the purpose of computing a pension.

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

Mr. Garson: Mr. Chairman, this resolution will lead to the introduction of a bill to provide a new basis for making the refund to certain members of the Royal Canadian Mounted Police. There are members of that force who formerly served in the provincial forces and who, when they were taken into the Royal Canadian Mounted Police, to the end of securing for them pension rights with respect to service they had performed for the provincial forces, were called upon to make contributions to the pension fund in respect of the terms they had served with the provincial forces.

Several of this same group of R.C.M.P. members during the war rendered some excess service, beyond their ordinary terms, for a variety of reasons,—usually because they could not be replaced under wartime conditions. Heretofore they have been entitled to refunds arrived at by taking into account the period of their excess service, on the one hand, as related to their provincial service, on the other. But until the present time the calculation has been made on the basis of the total amount of the contribution

to the R.C.M.P. pension fund by both themselves and the province concerned. The amendment will provide that in arriving at this amount there shall be taken into account only that period of service in which they themselves have individually made contributions to the pension fund. This will have the effect of almost doubling the amount of refunds they secure.

Mr. Adamson: How many men will it affect?

Mr. Garson: I could not answer that right now, but not a very large number.

Mr. Diefenbaker: I did not hear the answer as to the numbers affected. When the minister is answering that question perhaps he will direct his attention to one or two other matters which I might be allowed to bring up at this time.

In view of the fact that this change is being made—incidentally it has been asked for by various members of the force, and requested on previous occasions from this side of the house—may I ask the minister whether, when amendments are being made to the Royal Canadian Mounted Police Act, he will give consideration to making further amendments which have been requested by the R.C.M.P. veterans association.

I am sure that anything that can be done or any changes which can be made in the mounted police act which will improve the morale of the force would receive the support of all hon. members. Anomalous conditions such as the one now before us certainly ought to be removed in order to ensure the maintenance of the highest possible morale.

While giving my support to this measure—and I am sure support will be general throughout the house—I would ask the minister a question which has to do with veterans of the mounted police. Has consideration been given to providing former members of the Royal Canadian Mounted Police with hospitalization, medical treatment, and so on, that is enjoyed by members of the armed forces? This matter, which has been brought up before in this house, is deserving of consideration.

I live in Prince Albert, which has been one of the principal centres of mounted police activity for years. In that city are a number of veterans who joined the force prior to 1900. Their numbers are not large. I am thinking particularly of two former members of the force who are now seventy-eight and eighty-two years of age respectively. These men find it impossible to live on the pension they receive. One of them served in the Riel rebellion of 1885, and the other joined in 1891. They feel that some assistance should be given to them.

These older veterans served in the force in the early days when the rate of pay was fifty cents a day. The minister will remember that increases in pay have been of comparatively recent origin. I have in mind other veteran police officers, two of whom served in the rebellion of 1885, and who were paid fifty cents per day for many years. The pension they receive today is small, being based on the amount they were paid at the time they were discharged. These men feel that they are entitled to an increase in pension in order that their standard of living may be at least equal to that of members of the Royal Canadian Mounted Police who were discharged in recent years.

The mounted police today is a specialized, highly trained and efficient body, and anything we can do to raise its standards or to indicate our appreciation of its work should be done. I suggest that, in the interests of improving morale in the R.C.M.P., these older veterans should be given a greater opportunity to enjoy life than they have under the present regulations.

Mr. Garson: The hon. members for York West and Lake Centre have asked how many members of the Royal Canadian Mounted Police would be affected by the proposed amendment. I think the exact number is either six or seven.

The bill which will be founded on this resolution deals with a rather small point in the Royal Canadian Mounted Police Act. The matter which the hon. member for Lake Centre has brought up has to do with a large issue upon which I have a bulky file. I may inform him that the department has been giving careful consideration to it over a long period of time; but I suggest to him that it is not relevant to the resolution before the committee. I am glad to have the useful observations of the hon. member for Lake Centre, and I shall accept them as notice and deal with them when the Justice estimates are under consideration.

Mr. MacInnis: Mr. Chairman, I doubt if there will be any opposition in the committee to the purpose of this resolution, which does at least partial justice to men who have given faithful service to this country over a long period of years, and who, because of circumstances which prevailed at the time of their service, now find themselves in a difficult economic position.

I am glad to see that this step is being taken, even though it affects but a few. I hope in the near future the government will try to even up the position of those who have accumulated pension rights which are found to be totally inadequate to meet the economic situation that prevails today. I think we can

all accept this resolution, and the government should have no difficulty in having it agreed to by the committee.

Resolution reported, read the second time and concurred in. Mr. Garson thereupon moved for leave to introduce Bill No. 64, to amend the Royal Canadian Mounted Police Act.

Motion agreed to and bill read the first time.

JUDGES ACT

AMENDMENTS RESPECTING SALARIES, TRAVELLING ALLOWANCES, ETC.

Hon. Stuart S. Garson (Minister of Justice) moved that the house go into committee to consider the following resolution:

That it is expedient to amend the Judges Act, 1946, to increase the salaries of the judges of the Supreme Court of Canada and to provide salaries for an increased number of judges of the Supreme Court of Ontario; also to amend the present provision respecting travelling allowances to a judge of the Supreme Court of New Brunswick.

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

Mr. Garson: Mr. Chairman, I think this resolution is explained by its own terms, but perhaps I should refer to the third part, which reads:

—also to amend the present provision respecting travelling allowances to a judge of the Supreme Court of New Brunswick.

Formerly there was only one judge in the city of Moncton, New Brunswick, but a recent provincial statute provides for two, and this is a consequential enactment to take care of that change.

Mr. Fulton: I think there are one or two comments which should be made on this proposal. I do not believe anyone should take it on himself to say at this stage that the resolution should not carry and that the legislation to be founded on it should not pass. But I think it is about time that we scrutinized more carefully these proposed increases in the salaries of judges. As an hon. member to my left has just remarked—I am sure he will not mind if I repeat his words—they are almost becoming an annual affair. No one is going to object to our judges being paid salaries commensurate with the dignity and responsibility of their positions. I know, as other hon. members do, that most top-ranking lawyers can earn more in private practice than they can on the bench, even with the increases in judges' salaries which have so far been granted. But it is important to bear in mind that by recent amendments to the Judges Act, judges are now entitled, and properly so, to generous retirement allowances.

[Mr. MacInnis.]

Mr. Knowles: Noncontributory, too.

Mr. Fulton: These privileges do not pertain to private practice. No longer can it be said of judges that the emoluments of office are unattractive. It is my view that the time has come for us to serve notice that increases in judges' salaries will not be accepted in the future without the closest scrutiny.

There is a most important principle to be borne in mind. The administration of justice must be such as to have the confidence of the people of Canada. Our courts and our judges must have the confidence of the people. If we go on year after year increasing the salaries of our judges, the people of Canada are going to object. It will arouse in the minds of the people a feeling of resentment against the bench, because they will believe that all that judges have to do is to request increases in salary and they get them, while the average person has to work and struggle for his increases. I certainly believe that before we go further in increasing salaries in the top brackets we should see whether we cannot increase the salaries of men in the lower brackets who have families to support.

I repeat that the time has come when the tendency to grant increases in salaries to top government executives and to the judiciary must come to an end. We serve notice that, in the future, proposals for increases in salary will not be accepted without the closest scrutiny.

Mr. MacInnis: Will the minister inform the committee as to the amounts of the salary increases proposed in the bill?

Mr. Garson: Mr. Chairman, I think it is contrary to the rules of the house to disclose the contents of a bill at the committee stage. That is one reason why I made my explanatory remarks so brief. I thought we could discuss much more intelligently the justification for the increases if we had the amounts before us in the form of a bill. If we fall into the habit of attempting to discuss the contents of bills that are not before us at the resolution stage, it is a practice that can only lead to confusion, and will not really give us the best results for the time we spend in considering the legislation.

As to the remarks made by the hon. member for Kamloops, I might direct his attention to the fact that this is a proposal to increase the salaries of the judges of the supreme court only. It arises out of the fact that, by the bill which was passed by the house a few days ago, we have greatly increased the responsibilities of that court. Since it is to be the court of last resort for Canada, we must take every necessary step to make sure that we obtain the services

of men of the highest ability for the membership of that court. As I say, I am quite prepared, when the bill is before the house on second reading and the amount of the increase is known, to justify the increase which the government seeks.

I am sure the hon. member for Kamloops will agree that, although he may have had some reservations as to the propriety of abolishing appeals to the privy council, once we create a court of last resort in Canada it is of the greatest importance that we secure as members of that court men of the highest talents. The membership of the supreme court is drawn from all parts of Canada. When we make an appointment to the court—I think this is true in all cases—we select a man who is a leader of the bar in his own province, who is of reasonably mature age, and who in most cases has family ties and a home in the province in which he lives. We ask him to pull up the roots which he has been spending a lifetime putting down, and to move his family and his home into an entirely new sphere. To such men in relation to what in most cases has been the very much larger income that he had been earning up until that time, we have to offer some fairly substantial financial inducement to bring him to the supreme court bench.

I am sure the hon. members for Kamloops and Vancouver East will also agree that any moneys we lay out in a wise provision of this sort, provided that we administer it properly, will pay substantial dividends to the Canadian nation.

Mr. Knowles: I want to support the views that have been expressed by the hon. member for Kamloops, and by my colleague the hon. member for Vancouver East, but the main reason I rise at this moment is that frankly I was disturbed by the position the minister took when he went so far as to say that it was not proper to include in the resolution preceding the bill the amounts of money involved. On the contrary the minister is not maintaining the traditions of the house when he fails to put in those amounts.

Mr. Garson: On a question of privilege, I did not say that it was not proper to put the amounts in. I said it was not proper at the resolution stage of the bill to discuss the contents of the bill. Whether it was right or wrong not to include the amounts of the salaries in the resolution, the fact is that the resolution that is before us does not state the amounts of the salaries, and we shall not have that until the bill comes down. Under these circumstances I submit it is not proper to discuss that now.

Mr. Knowles: I want to protest strenuously against this practice being followed so often, particularly during this session—and it happened a few times during the last session as well. I am glad to note that the Speaker is in the chamber, although I am not asking him to participate in the discussion, either on my side or against it. But he will remember quite well being in your place, Mr. Chairman, when this whole issue was fought out in respect to an old age pension bill back in 1947. As we were able to point out at that time, it had been the practice of the government down through the years, in a resolution preceding a bill which had the recommendation of the governor general, to indicate in the resolution the amount of money which would be involved if that bill passed. I refer to the incident of June 26, 1947, because on that occasion a minister introduced a resolution preceding a bill without stating the amount, and some of us were able to argue, from many precedents and citations in the books, that this gave the committee, when it dealt with the bill in the committee stage, the right to move amendments asking for higher amounts. I could demonstrate my point by saying that that is the position in which the minister finds himself now. I can assure him that when he brings in his bill with the increased salaries I shall not take advantage of the opportunity to move that the salaries be made higher still.

Mr. Garson: Then why is the hon. member raising the question? What is the purpose?

Mr. Knowles: Because I want the Minister of Justice to follow the rules of this house. Citation 436 of Beauchesne reads:

> The governor general's recommendation to any resolution involving a payment out of the public treasury must be formally given by a privy councillor in his place . . . as soon as the motion has been proposed for the house to go into committee on the resolution.

Then citation 439:

> The object of the resolution recommended by the crown is to give the house a first opportunity to discuss the advisability of making a certain expenditure. The details of the projected measure are not then disclosed and debate is confined to the resolution which should not be lengthy . . .

Note this:

> . . . although care must be taken that the terms used are sufficiently wide to cover the whole of the bill which will be subsequently introduced.

Then citation 440:

> The fundamental terms of a money resolution submitted to the house with the governor general's recommendation upon which a committee of the whole is set up cannot be amended.

And citation 445:

> It may happen that the resolution sanctions some expenditure without fixing the maximum amount to be spent. If, for instance, the resolution recom-

mends that adequate salaries be paid a newly constituted body and the amounts of the salaries are fixed in the bill based on that resolution, the committee on the bill has the right to increase those amounts, because, in doing so, it does not go beyond the scope of the royal recommendation.

From all these citations, and from the practice that has been followed by this house down through the years, as well as that followed in the United Kingdom, it is clear that the principle of governmental responsibility in respect to expenditures makes it necessary, or at least highly desirable, that when the government indicates the recommendation of the governor general it should indicate to the house to what extent that expenditure is to go.

As I have said already, I do not intend to take advantage of this opportunity to move that the amounts be increased; but I might draw to the attention of the minister citation 486, which applies particularly because of the way in which this resolution has been worded:

Reductions can be made in committee on the bill . . .

And later:

The committee is not bound by the terms of the provisions which the ministers have inserted in the bill; and, when no amount has been mentioned in the resolution—

That is the pitfall into which the minister has fallen here.

—any member may propose to increase the grants specified in the bill or to extend the application of the provisions of the bill, whatever may be the cost resulting therefrom, so long as the power conferred by the royal recommendation is not exceeded.

I ask the minister to take time to look back over our recent history. If he will look up the resolution which preceded the family allowance measure introduced in 1944, he will find that it contained full details as to the amount to be paid each child and the amount to be paid in respect of successive children in the family. If he will look at the resolution which preceded the old age pension measure and all the amendments thereto, except the one in June, 1947, when this whole issue came up, he will find that they contain all the details. I could go on and refer also to veterans legislation, housing bills, and so on. It has been the practice down through the years, and I submit that it is consistent with the whole concept of governmental responsibility in money matters for the government to indicate in the resolution preceding a money bill the total amount of money involved. If it is true, as the books say time and again, that only with the royal recommendation can money measures be laid before the house, that carries with it a responsibility to tell us, when the measure is laid before us, how much money is involved. Otherwise we would have the government going to the governor general and seeking approval for a blank cheque, keeping the details a secret until a later stage, as the minister is doing today.

Some hon. Members: Oh, no.

Some hon. Members: Oh, yes.

Mr. Knowles: I do not doubt that the Minister of Labour knows.

Mr. Mitchell: I bow to Solomon's wisdom.

Mr. Knowles: The minister may know, but it is being kept secret from the rest of us, and this is not consistent with the whole concept of responsible government. The Minister of Justice says it is not desirable to discuss details at the resolution stage, that we must abide by the rules. He is one of the past masters in this house at discussing the details of a bill on second reading. That is out of order, but often he gets away with it. I hope that from now on the Minister of Justice and other ministers will take greater care to do what Beauchesne says should be done, and have the resolutions preceding the bill make clear what is involved in the legislation.

Mr. Garson: I think the committee owes me a vote of thanks for having provided the occasion for a fine statement on the rules of the house by the hon. member for Winnipeg North Centre. I am sure we were all greatly edified by it; I know I was. I would point out to the hon. member, however, that within a very short time the bill will be brought down. If at that time there are in the house enough hon. members opposed to the amount of money involved, I presume the bill will be defeated and the purpose discussed by my hon. friend will be served. But having heard the statement of the hon. gentleman I think we might very well get on with the business and bring in the bill. Then we can see whether or not the amounts mentioned are excessive.

Mr. MacInnis: The situation that has developed today is becoming a regular practice in the house. We had it a few evenings ago in connection with the overseas telecommunications resolution. The minister in charge on that occasion either did not have or would not give the information required. We had it yesterday on the fisheries bill, and today we have it on this resolution. I should like someone on the government side to tell us the purpose of bringing a resolution before this house and this committee if we are not to be given any information as to the purpose it is to fulfil. How are we to know whether or not we are in favour of this resolution—because the resolution has to be voted upon—

if we do not know what it contains? I quite agree with what the hon. member for Winnipeg North Centre has said. What was placed before the governor general? What did he agree to? Surely this house is making a farce of parliamentary procedure by acting in this way. I warn this government that in the country today many people are greatly disturbed because of the composition of this house, with the top-heavy government majority. Further, I would warn the government not to use that majority for the purpose of departing from the accepted procedure in dealing with matters of this kind.

I want to oppose the resolution, and the bill, no matter what is in it.

Some hon. Members: Oh, oh.

Mr. Fulton: No matter what amount of money is in it.

Mr. MacInnis: That is what I mean—no matter what is the amount of the salary increase. Evidently that is so important that the minister has to keep it a secret. I am going to oppose this measure for precisely the reasons given by the member for Kamloops. I am going to oppose it for the reasons that I opposed the principle in similar bills.

At the convention of the bar association at Banff, the statement was made by the chief justice of the province of British Columbia that the salaries of judges are entirely inadequate and not in keeping with the dignity of superior courts. I submit to you, Mr. Chairman, that a court that cannot be dignified when the judge is receiving a salary of $20,000 will not be dignified when the judge is receiving a salary of $25,000. If it is impossible for a judge to maintain his dignity or the dignity of the court on $20,000 per year, what about the dignity of hundreds of thousands of people who do not get a thousand dollars a year, and who are raising families.

Mr. Fraser: With dignity.

Mr. MacInnis: And with dignity, too. If we are to build a society in this country in which there is respect for law and authority, I suggest there cannot be so great a difference between the standard of living of those who administer the law and that of those who may have to appear before the courts. On other occasions I have heard it stated in this house that judges should be paid high salaries—perhaps the person who made the statement would say, a reasonable salary —because they should be put beyond temptation. If that is a correct statement, then judges should be lenient with people who receive low salaries who come before them, because their economic circumstances may be responsible for their fall.

The other evening I brought a case to the attention of this house. Since doing so I have found out that the case has moved a step further. It concerned a recipient of war veterans allowance who failed to report certain income. The war veterans allowance was stopped, and this man and his wife were trying to live on a $31.25 a month disability pension. There is quite a difference between that and $20,000 a year. My information is that the war veterans allowance board has received authority to prosecute this person for concealing a certain amount of his income. I suggest to the minister, and I suggest to the government, that until the standard of living of all the people is put on a more equitable basis we should not begin increasing the salaries of those who are already receiving sufficient to provide a high standard of living, and whose future is provided for by good noncontributory pensions. These pensions are beyond anything the ordinary person can provide for himself or can receive through government social legislation. Surely we are beginning at the wrong end to improve the standard of living of our people.

Mr. Fraser: Mr. Chairman, there was just one thought I wished to express about the dignity of the supreme court judges, mentioned by the minister. He said they had to leave their home ties and come to Ottawa, and there should be some recognition of that. Looking through the estimates one finds that the Prime Minister receives only $17,000. He occupies the office with dignity. If the salaries of the supreme court judges are to be raised to $24,500, then I believe the Prime Minister of this country should receive more than these judges.

The president of the United States receives more than the supreme court judges of that country. It is necessary for him to maintain his dignity. I feel that there should not be anyone receiving a salary or an indemnity from this government which amounts to more than the Prime Minister receives. It lowers the dignity of that office; I do not think it is right.

Mr. Green: The resolution is divided into three parts. The first deals with the increase in salaries for the judges of the Supreme Court of Canada. The next deals with the salaries for the increased number of judges in the Supreme Court of Ontario, and the third part with provision for travelling allowances to a judge of the Supreme Court of New Brunswick. Will the minister tell us how much each of those changes will cost the taxpayers of Canada?

Mr. Garson: Mr. Chairman, all of those amounts will be disclosed when the bill is

brought down. So far as the Ontario changes are concerned, I believe the hon. member is capable of making that computation. There will be two appeal court judges and two trial judges. It is just a matter of multiplying that number by the amount of the annual allowance received, which, if my memory serves me correctly, is $12,000 per year.

Mr. Green: That would be $48,000?

Mr. Garson: Yes; that is right. These are new appointments which have been certified to us by the Attorney General of Ontario. An act was passed by the Ontario legislature creating these vacancies for us to fill in order to meet the heavy accumulation of court cases in that province.

I repeat, Mr. Chairman, that all these matters can be discussed more intelligently when the clauses of the bill are before the members of the house. We shall be delighted to justify the amount of the proposed expenditures. In the case of the Ontario changes we have no choice. The Ontario legislature passed an act, and very properly, in my opinion, creating certain vacancies. This government asked the government of Ontario for their reasons for doing so, and received a satisfactory statement of those reasons. In the opinion of the attorney general of that province, there was a need for two additional judges in each of the divisions. Those vacancies have been created, and we will fill them if this bill is passed.

The third item concerns a minor matter. It is simply that there is a provision in the Judges Act to the effect that the judges in Fredericton and Saint John cannot charge travelling allowances unless they go from the city in which they are living to one or the other of these two cities. Heretofore, that has applied to the city of Moncton, where there was one judge. The provincial legislature made provision for two judges in Moncton, and it is their desire to have the same privilege applied to the two judges that formerly applied to the one.

Mr. Green: How much is it expected to cost?

Mr. Garson: I do not think it would be possible to estimate, since it depends on how many cases they would have to try. I would imagine it would be well under $500.

Mr. Green: The minister has told us what this measure is going to cost for the appointment of four more judges in the Ontario court, and the travelling expenses of a judge in New Brunswick. He has not yet told us what the increase in the salaries of the supreme court judges is going to cost. I do suggest that we should be given that information. That question is perfectly proper. The main concern about a resolution of this kind should be what is it going to cost, and the minister is on very weak ground when he refuses to give this information. I ask him to tell us how much this increase in the salaries of the supreme court judges is going to cost Canada. He must know, and the committee is entitled to have the information.

I cannot understand why the minister—who, after all, should be the minister most careful to observe the rules of this house, because he is the chief law officer of Canada—will not give us the information. If we cannot expect to have the rules of the house followed by the Minister of Justice, what hope is there of having the business of the house carried on in a proper manner? The rules are there. The hon. member for Winnipeg North Centre has cited them. If they are not right, let us change them; but as long as we have the present rules, then the Minister of Justice, of all the ministers, should follow them. I ask him to give us the information. What is it going to cost to increase the salaries of these supreme court judges?

Mr. Garson: As I understand the point of order that was raised by the hon. member for Winnipeg North Centre, it is that the resolution itself should disclose these figures. The resolution has not disclosed the figures. It is only a matter of minutes since we passed another resolution having to do with the Royal Canadian Mounted Police, in which no figures were disclosed. Resolutions of this kind are frequently introduced in the house.

Mr. Knowles: Since the Minister of Justice came to the house, but not before.

Mr. Garson: No, not only since the Minister of Justice came here. As a matter of fact I think it was either the hon. member for Vancouver-Quadra or one of his colleagues from the front benches who, on a previous occasion, called me to order on the committee stage of a resolution for discussing the terms of a bill. I was reminded that there was no bill before the house. I frankly confess that I do not understand what purpose these tactics can serve.

Mr. Fulton: We want to know how much expenditure is involved. That is why we are asking the question.

Mr. Garson: In this House of Commons week in and week out we deal with large sums of money. Every hon. member opposite must know that the sum we are discussing today cannot possibly be more than a figure which in relation to the total expenditures of the government is a very small item indeed. We should follow the rule of not discussing the provisions of the bill at the

committee stage of the resolution. When the bill is brought down, we shall be delighted to discuss the adequacy of these amounts.

Mr. Diefenbaker: Why does the minister take this attitude? I want to join with him in assuming a rate of salary for the judges of the Supreme Court of Canada to enable them to maintain the dignity of their position. What is the idea? Is it because he has behind him an overwhelming majority? Why not give the information? What manner of excuse can he advance, except to endeavour to be facetious to the committee? I ask him to give us the opportunity of seeing that he intends to carry out what the resolution sets forth.

We in parliament have a right to information. We have always had the right to information about any money resolution and the extent of the expenditure involved. Certainly the attitude he has taken—and I am sure he will reconsider it—was not the attitude taken by any of his predecessors such as Mr. Ernest Lapointe, Mr. Ilsley, or the present Prime Minister. I do not want to hold up the business of the house, but surely a simple question such as this, if the figure has been decided upon, can be answered. When it is answered, we will be in a position to discuss the question of the necessity of the supreme court judges receiving additional salary to meet their added dignities and responsibilities.

Mr. Browne (St. John's West): Are we to have a ruling on the point of order raised by the hon. member for Winnipeg North Centre? He said that in resolutions of this kind involving the expenditure of money the amount should be disclosed, either in the resolution itself or by the minister in charge of it. I say it should be in the resolution.

The other day when we were discussing the resolution having to do with the telecommunications system, no information was given by the minister. I think the minister was rather offended by the criticism that came from this side of the house because hon. members were looking for information of that kind. Has not the House of Commons the right to expect such information from the ministers who introduce these resolutions?

Mr. Low: I have listened to the discussion with a great deal of interest. For the life of me I cannot understand why the Minister of Justice is not prepared to give us the information asked for. If this resolution comes to a vote, my group will have to vote against it, purely on the ground that the minister is not observing the rules of the house. Unless we get the information we are not in a position to say whether there is any merit in the proposal. Until that information is provided, and the rules of this house observed—they were well explained by the hon. member for Winnipeg North Centre—I must say that this group will have to vote against the resolution.

Mr. Fulton: May I ask the minister to consider the words of the citation of Beauchesne to which reference has already been made by the hon. member for Winnipeg North Centre? I am certain that if he does so he will see the logic of our asking him to give us this information. Citation 439 says:

> The object of the resolution recommended by the crown—

That is, the resolution we are discussing.

> —is to give the house a first opportunity to discuss the advisability of making a certain expenditure.

We do not know what the certain expenditure is unless the resolution contains it, or the minister gives us the information. Further on the citation states that once the resolution is carried there can be no amendment of its terms. This being so, normally we shall not have any opportunity of amending the proposal as to expenditure, either upwards or downwards. On reflection I do not think the minister will consider it fair to ask the House of Commons to accept blindly an expenditure the amount of which hon. members do not know. If the minister will consider the matter he will see the justice of the position we take when we ask him for this information.

Mr. Mitchell: I am not going to get into any—

Mr. Green: The minister had better keep out of this.

Mr. Mitchell: That is all right. The hon. member for Kamloops said something about voting blindly. Hon. members are not voting blindly. The bill has to get second reading and then be considered in committee.

Mr. Fulton: According to Beauchesne, once we have committed ourselves by accepting the resolution, we cannot amend the details of the bill based on the resolution. That is why we say that before we accept the resolution we should know what is the amount involved.

Mr. Coldwell: It seems to me that the procedure we are following is a clear violation of the age-old practice of parliament. In effect the House of Commons has only one control over the ministry, and that is in the appropriation of public money. As the rule states, at the resolution stage we should know what the certain sum of money is with which we are dealing. This House of Commons cannot pass a resolution in these terms, foreshadowing the expenditure of moneys, without knowing what the amount of money is. I rise merely to say that in my opinion this is a violation of the age-old rights, privileges and authority of parliament.

Mr. Fournier (Hull): Mr. Chairman, we have passed many resolutions without giving exact amounts, when we have been dealing with increases in salaries. If hon. members will look at citation 433 they will see that in that citation we can even bring in a bill without having it preceded by a resolution. When it involves increases in salaries as part of the bill—and this has been going on for over half an hour—

Mr. Diefenbaker: Why have we not had the information, then?

Mr. Green: Give us the facts.

Mr. Fournier (Hull): Surely that would be a victory for the opposition. They are trying to start off with a principle, and then they say, "Give us the information." Well, I am ready to argue the point at length, even discussing the citation which was mentioned here this afternoon. First turning to citation 439—

Mr. Carroll: Does the minister think that the word "certain" has been properly applied by the hon. member for Kamloops?

Mr. Fournier (Hull): It does not mean what the hon. member has said—and that is the point I wish to make. The reference to making certain expenditures is not definite. It is not definite in the sense that it has to be this or that amount. If one continues to read the citation he will see it states that the details of a projected measure are not then disclosed. Well, one of the details of a measure would be the amount mentioned in the bill. The bill is preceded by the resolution.

I am not stubborn. Hon. members have known me for quite some time, and I would not unnecessarily take up the time of the house in a matter of this kind. But it seems that on some minor point some hon. members try to develop it into a great principle of procedure, and want to hold up a resolution.

The rule of procedure in the house is to give an opportunity to discuss the advisability of making a certain expenditure. That is what this is—making an expenditure.

Mr. Fulton: "A certain expenditure".

Mr. Green: Yes, a "certain" expenditure.

Mr. Fournier (Hull): But that does not compel the government to give the exact amount, especially in respect of increases in salaries. If we read it we find that it says "are not then disclosed and debate is confined to the resolution." It will be noted that it is "confined to the terms of the resolution". If the resolution is not according to the rules, then on a point of order an hon. member may try to have it ruled out. He may do that. But, according to the rules, he cannot try to discuss something outside the context of the resolution. That is one point.

Then, going back to citation 433—

Mr. Knowles: Read the rest of that sentence.

Mr. Fournier (Hull): It says—

—although care must be taken that the terms used are sufficiently wide to cover the whole of the bill which will be subsequently introduced.

Well, it certainly is wide enough. But the resolution is not the bill. The resolution says that it is advisable that we increase the salaries of the judges of the supreme court, secondly provide for salaries for an increased number of judges of the Supreme Court of Ontario, and to pay expenses. That is all it says. It is in general terms, and the bill will give the details.

All this debate—

Mr. Knowles: Read on.

Mr. Fournier (Hull): You wish me to read this part of citation 439:

No amendment affecting the purposes for which the grant is recommended by the crown can be allowed. The constitutional principle which vests in the crown the sole responsibility of incurring national expenditure forbids an increase by the Commons of a sum demanded on behalf of the crown for the service of the state.

Mr. Knowles: There is the point, right there.

Mr. Green: That is clear.

Mr. Knowles: It says that the Commons cannot increase a sum asked for by the crown. What is that sum? The responsibility rests upon the government to say what that sum is.

Mr. Fournier (Hull): The sum will be stated in the bill. Have you ever seen an opposition try to increase salaries without having it recommended by the government?

Mr. Coldwell: We cannot.

Mr. Fournier (Hull): According to your argument, if we put the amount in the resolution you could ask us to increase it.

Mr. Coldwell: We can reduce it. May I suggest to the minister that the relevant citation which he should read is citation 433. Citation 433 states—and perhaps I had better read it:

All bills providing for the payment of salaries or for any expenditure whatever out of the public funds of the dominion must be first considered as resolutions in committee of the whole. And all such resolutions necessary to the introduction of a bill must first obtain the recommendation of the governor general. It often happens that bills are introduced with certain clauses providing for salaries or other charges on the public revenue, and in that case the bill may be introduced directly on motion, while the clauses in question (which should be distinguished by italics or brackets), are considered in the shape of resolutions in committee on the bill.

And here is the point that is important:

> But this can only be done when the money clauses are merely a part of the bill. Whenever the main object of a bill is the payment of public money, it must directly originate in committee of the whole.

Here is the committee of the whole. It must directly originate in this committee of the whole.

Mr. Fournier (Hull): That citation is one which I myself have been reading for some time.

Mr. Coldwell: You did not read the right part of it.

Mr. Fournier (Hull): But it does not mean that we have to precede a bill concerning an increase in salaries by a resolution. That is not the interpretation I give it.

Just to try to shorten debate—and this is only a matter of procedure—I suggest that if the minister has the amounts I would have no objection to his stating them. But I wish to say to the house that an opposition of about five members can keep a debate open for a long time—and I know the hon. member for Lake Centre can keep it up. My experience has been that we have had longer debates on resolutions than on the bills.

Mr. Browne (St. John's West): Is the minister casting a reflection upon the integrity of men on this side of the house?

Mr. Mitchell: He did not.

Mr. Browne (St. John's West): We have been raising an important constitutional point, as to whether the minister should disclose the amount of money to be expended. I do not think that is wasting the time of the house in debate.

Mr. Fournier (Hull): If I cast any reflection upon the integrity of any member, then I am very sorry. I apologize and withdraw what I said. I have never done it before in the house in my life, and I will not start at this stage. But I have noticed in the House of Commons that we have spent more time on resolutions than we have on bills. Perhaps there is something wrong with the rules, but I never thought that resolutions were to promote debate on anything other than that which they contained. Bills can be discussed in detail—but not resolutions. That is against all parliamentary practice. We have taken up great amounts of time in the discussion of resolutions, in discussing things which hon. members did not know would or would not be in the bills.

This afternoon hon. members gave different amounts—and I do not know personally if they are correct. However, if it would carry the resolution, I would suggest that the Minister of Justice give that information. But that would be the only reason for doing it.

Mr. McIvor: Carried.

Mr. Green: No, it is not carried. From what has been said by the Minister of Public Works I take it the Minister of Justice would have no further objection to naming the amount.

Mr. Garson: I think this is becoming slightly ridiculous. There has been no disposition personally on my part to refuse to disclose the amounts of these increases. I am most anxious to follow the rules of the house which, as I understand them, require that on a discussion of a resolution we should not discuss the contents of a bill.

However I have no objection in the world to indicating that when the bill is brought down it will provide that puisne judges of the supreme court shall receive salaries of $20,000, and the chief justice $25,000.

Mr. Green: Raised from what figures?

Mr. Garson: From $16,000 and $20,000 respectively.

Resolution reported.

Mr. Knowles: On division.

Resolution read the first time.

Mr. Garson moved that the said resolution be now read the second time and concurred in.

The house divided on the motion (Mr. Garson) which was agreed to on the following division:

YEAS

Messrs:

Anderson	Fournier (Hull)
Applewhaite	Fulford
Arsenault	Garland
Bater	Garson
Belzile	Gauthier (Sudbury)
Benidickson	George
Bennett	Gibson (Hamilton West)
Blanchette	Gibson (Comox-Alberni)
Boisvert	Gregg
Boucher	Helme
Brisson	Henderson
Brown (Essex West)	Henry
Bruneau	Hetland
Byrne	Isnor
Cameron	Jeffery
Campney	Kent
Carroll	Kirk (Antigonish-Guysborough)
Cavers	Kirk (Digby-Yarmouth)
Chevrier	Lafontaine
Cleaver	Langlois (Gaspé)
Cloutier	Leger
Corry	Little
Coté (St. Johns-Iberville-Napierville)	Macdonald (Edmonton East)
Cruickshank	MacDougall
Dechene	MacKenzie
Decore	MacLean (Cape Breton North and Victoria)
Dewar	MacNaught
Douglas	McCulloch
Dumas	McCusker
Elderkin	McIlraith
Eyre	
Ferrie	

McIvor	Smith (Moose Mountain)
McLean (Huron-Perth)	Stewart (Yorkton)
Matthews	Stuart (Charlotte)
Murray (Oxford)	Studer
Murray (Cariboo)	Tremblay
Nixon	Valois
Proudfoot	Warren
Prudham	Weaver
Richard (St. Maurice-Lafleche)	Weir
Richard (Ottawa East)	Welbourn
Simmons	Whiteside
Sinclair	Winters
Smith (Queens-Shelburne)	Wood—88.

NAYS

Messrs:

Argue	Jones
Beyerstein	Knight
Blackmore	Knowles
Browne (St. John's West)	Lennard
Bryce	Low
Casselman	MacInnis
Coldwell	McGregor
Fraser	McLure
Fulton	Noseworthy
Gagnon	Pearkes
Gillis	Quelch
Green	Shaw
Harkness	Thatcher
Hatfield	Thomas
Herridge	Wright
Johnston	Wylie—32.

Mr. Mitchell: I was paired with the hon. member for Waterloo South (Mr. Homuth). Had I voted I certainly would have voted for the resolution.

Mr. Gardiner: I was paired with the hon. member for Souris (Mr. Ross). Had I voted I would have voted for the resolution.

Resolution read the second time and concurred it. Mr. Garson thereupon moved for leave to introduce Bill No. 65, to amend the Judges Act, 1946.

Motion agreed to and bill read the first time.

EXCHEQUER COURT ACT

AMENDMENT TO EXTEND TIME FOR APPEAL TO SUPREME COURT, ETC.

The house resumed from Friday, September 30, consideration in committee of Bill No. 8, to amend the Exchequer Court Act—Mr. Garson—Mr. Dion in the chair.

On section 2—*Appeals to Supreme Court of Canada.*

Mr. Diefenbaker: Would it be permissible, Mr. Chairman, to ask a general question even though section 1 has been passed? I have brought up this matter on previous occasions. I refer to the continuance of the anomalous requirement that a fiat of the crown is necessary before an action can be commenced against the crown.

I read what the minister said in this regard some days ago. He did not deny that it was an anomalous state of affairs that a fiat should be required, but undertook to answer it by way of evasion and avoidance, as I read his argument. He said fiats were never refused. Well, if that were correct the obvious question would be, then why continue a formula that has no efficacy under modern practice? Today the crown is engaged in business, yet a fiat is required before an action can be commenced, as far as emanations of the crown are concerned. In the United Kingdom this state of affairs was done away with as of January 1, 1948. The doctrine that the king can do no wrong was admitted to be no longer applicable in so far as actions against the crown are concerned. This fiction of the law, no longer having any application to the complexities of modern conditions, was abrogated.

I should like to challenge the statement of the minister that a fiat is never refused. Fiats are refused, and have been refused in this country in the last thirteen or fourteen years under this government. I shall be specific in my statements. I have reference to the administration of the Indian department. Conditions existing on many of the reserves of this country require to be rectified, yet Indians residing on reserves find it impossible to commence an action against the crown, however justifiable that action might be, owing to the refusal of the crown to issue fiats. I recall one very good case. Some of the Indians on one of the reserves in Saskatchewan commenced an action against the Department of the Interior. In that action, which was heard by the late Mr. Justice MacLean, substantial damages were awarded —speaking from recollection I believe they ran to $25,000 or $30,000—for malfeasance or certainly nonfeasance on the part of officials of the department. Following that, Indians on another reserve requested the right to take action with respect to matters concerning them, but a fiat was refused.

An action by Indians is one case in which a fiat should not be refused. The Indian operates under a handicap by reason of the fact that he is subject to control by and a ward of the state; and whenever Indians feel there is an injustice, they should have a right of action against the crown. I ask the minister the reason for continuing this anomaly of requiring a fiat from the crown when a subject of His Majesty feels that he has been aggrieved. I hold no brief directly or indirectly for the Indians, nor did I act in the case to which I referred. Injustices that may exist on Indian reserves should not be permitted to continue simply because the state refuses to grant to the aboriginal and the first subjects of the king the right to take action to have those injustices remedied. I

should like the minister to give us the assurance that when applications are made for the right to take action against the crown in respect of injustices on Indian reserves there will be no hold up of their right to commence action, and that there will be no refusal of any fiat by the minister, as representing His Majesty the King, in any action that Indians may desire to take against any representative of His Majesty the King.

Mr. Garson: Before the hon. member resumes his seat, could he tell me the approximate time of the refusal of the fiat, the person to whom it was refused and the person by whom it was refused?

Mr. Diefenbaker: 1936 or 1937.

Mr. Garson: About thirteen years ago.

Mr. Diefenbaker: That is correct.

Mr. Garson: Does my hon. friend know whether there have been any further requests from the person to whom that refusal was given?

Mr. Diefenbaker: I cannot say that, but the curtness with which the request for a fiat was refused would certainly discourage anyone but the most courageous. The minister will find also a case in the province of Manitoba within the same period.

Mr. Garson: About 1936?

Mr. Diefenbaker: Yes, during that period. I know of a refusal being made to the Indians who asked for the right to take action—

Mr. Garson: Was the refusal made by the Department of Justice?

Mr. Diefenbaker: Mr. Chairman, the refusal was made by the officers of the crown. The Indians have only one right, and that is an appeal to the officers of the department administering Indian Affairs. Certainly, there were solicitors acting in the matters to which I referred and they would know the proper place to make application. I would think an application made to the Indian department would have been sufficient and that, since the king is one and indivisible, a request made to that department for leave to take action against the department would have been transmitted to the proper law officers of the crown.

Mr. Garson: In my friend's absence the other day, this matter was discussed rather fully at the instance of the member for Calgary West (Mr. Smith).

Mr. Diefenbaker: Yes, I read that in *Hansard*.

Mr. Garson: My hon. friend says he has read the report of that debate. I do not think I have very much to add to the rather full statement which was made on that occasion. In so far as the matter which he has raised today is concerned, the application to the Indian department and a request that they transmit to the attorney general a request for the issuance of a fiat, I would be glad to look into the circumstances of the case. I suppose by now thirteen years later the rights and wrongs of it may have ceased to exist.

Mr. Diefenbaker: They still exist on a reserve near Prince Albert.

Mr. Garson: I shall be glad to look up that case; but, as I indicated in my remarks in reply to the points raised by the member for Calgary West (Mr. Smith), in recent years the department has followed a practice of investigating all claims against the crown. In most cases these are claims for damages and they are investigated in the same way as they would be in the case of any private citizen who was charged with having committed a tort. If, in the opinion of the officers of the department, there is a good foundation for legal liability on the part of the crown a settlement is made. The claimant secures redress without any legal expenses for court action. In those cases in which the department conscientiously believes there is a good defence to the claim which is being made, we nevertheless—I say this in spite of what my friend has said today about those Indians—issue a fiat as a matter of course.

My hon. friend says, what is the purpose of preserving this anachronism? What purpose does it serve? Administratively, I believe it serves a useful purpose in a country as far-flung geographically as Canada. It assures all those cases coming under the supervision of the Department of Justice and makes certain that the same principles of law are applied to all claims against the crown. In a great many cases our investigation, which is made by our officers, is of some service to the claimant. If settlement can be obtained without any legal action at all, that is certainly true.

In those cases where we believe we have a defence, if we are asked to state the reasons we are very glad to state them, and that also is a help to the claimant or his solicitor if he proceeds with the action. With cases arising in such distant points as Newfoundland or the Queen Charlotte islands, we are assured that the same crown attitude and the same principles are applied at every stage of the claim, even before litigation actually commences. Perhaps that statement will suffice as a supplement to the full discussion which took place the other night.

Mr. Diefenbaker: Just one question: Will the minister give the committee assurance that if any of these Indian bands now apply for a fiat to take any action in the maladministration of their affairs, a fiat will be granted?

Mr. Garson: Mr. Chairman, I think my hon. friend, with a tactical sense I can only admire, is rather anxious to have me make a commitment as to the disposition of a certain matter to which he has referred, and the facts concerning which I have no knowledge at all. I can give him this assurance, that if he will be kind enough to bring the facts in this case either to me directly or to the Indian department and the Department of Justice at the same time, we will be delighted to look into the matter to ascertain whether it is an occasion for the granting of a fiat. I believe that is as far as one can go in respect of a matter which is thirteen years old and of which I never heard until about three minutes ago.

Mr. Diefenbaker: The minister quite frankly admits, does he not, that granting to a subject the right to take action against His Majesty the King is not an automatic matter at all? The fiat is not granted as of right, but depends on the results of an investigation by crown officers.

Mr. Garson: I thought I had made it clear—

Mr. Diefenbaker: Not very clear.

Mr. Garson: —both today and at great length the other day that no opinion was formed on these matters as a result of telepathy or anything of that sort. We like to investigate the case in respect of which we are being asked for a fiat. Then, as I told my hon. friend, after having investigated it, we dispose of it in the manner I have indicated. I have no doubt that we are prepared to dispose of the case of which he speaks on the same basis. But on the strength of the hon. member's statement—which of course I accept, but even he would not claim that it was completely comprehensive in any sense—to commit the government and the department to any course of action until we have seen what the case is would, I think, be regarded by the hon. member himself upon reflection as a bit unreasonable.

Mr. Diefenbaker: I am not going to argue further, but on reflection I am sure he will admit that his answer amounts to this: that the issue of a fiat to a subject for the privilege of taking action against His Majesty the King is not automatic. The other day the minister took the stand that a fiat is granted without any question, and that therefore there is no reason to abolish the necessity for a fiat being granted. Now by his very argument he admits that the crown does not grant to the subject in every case the right of action for wrongdoing as against any subject representative of His Majesty the King. That being so he has advanced a strong argument in support of the removal of the anomaly or anachronism of requiring a fiat before action can be taken. Anachronism was the word he used. I think it is pertinent and descriptive. In my opinion there is no excuse for the continuance of a provision that can no longer be justified, however applicable it was 150 or 200 years ago. I say no more about the matter now except that the very fact the minister refuses to say that if any of the Indians on any of the reserves, in respect of matters that have arisen within the last few years, would ask for the right to take action as against His Majesty the King, that fiat would be granted, indicates the reason but not a justification for the continuance of the anachronism.

Mr. Fulton: The time of appeal is being extended from thirty to sixty days. I am not going to go so far as to move a formal amendment, but I would urge strongly that even at this stage the minister consider the advisability of extending the time to ninety days. From his earlier answer we know that the judgments of the court are still considerably in arrears. I make no comment on that other than to say that it is indicative of the considerable volume of work coming before the court. It may well be that, between the time that the case is prepared and argued and the time that the judgment is given, changes have occurred in the personnel of the counsel who took the case. Witnesses may have died and there may be a loss of relevant facts. It is very easy to imagine, and probably within the experience of lawyers similar things have happened, that it would take considerable time to reassemble the file and form an opinion as to whether or not an appeal should be taken. In view of the difficulty of correspondence, and the delays that necessarily occur, careful consideration should be given to extending the time of appeal to as long as ninety days.

Mr. Garson: For the reasons that my hon. friend has mentioned we thought it wise to extend the time of appeal from thirty to sixty days in order properly to consider whether it was wise to have an appeal at all. To what court was my hon. friend referring when he spoke of the accumulation of business?

Mr. Fulton: To the exchequer court, and the length of time between the argument of cases and the delivery of judgment.

Mr. Garson: Oh, yes.

Mr. Fulton: Between the argument of the case and the delivery of judgment it is quite possible that the lawyer who argued the case may have died.

Mr. Garson: In most cases I think the judgment itself would be held up until the reasons and everything else had been brought down.

Mr. Fulton: Perhaps I have not made myself clear.

Mr. Garson: I am afraid not.

Mr. Fulton: I am not trying to cast any reflection on the court with respect to the arrears of judgment; that is to say, the length of time lapsing between the case coming on for hearing and the delivery of judgment.

Mr. Garson: Between trial and judgment?

Mr. Fulton: Yes. The facts given by the minister in the earlier discussion of this bill indicate that there is still a substantial backlog of judgments.

Mr. Garson: Right.

Mr. Fulton: I simply say that that indicates there is a considerable volume of work and that there is a big time lag. That is why I say there may be changes in the staff of the office from which the case originally came. The counsel who took the case may have died in the meantime, or the witnesses may have died. As one who has been a practising lawyer the minister knows the difficulties which occur in that regard. In view of the length of time between the trial and judgment, and the difficulties which may be experienced in reaching a conclusion as to whether an appeal should be brought, I say that it would not be too long to make the time for appeal ninety days instead of sixty days.

Mr. Stewart (Yorkton): I think the provision is rather liberal.

Mr. Fulton: It is the Liberal government. Perhaps it would be.

Mr. Stewart (Yorkton): It gives you sixty days. If you read the section you will find that in addition you have the right to apply for an extension.

Mr. Fulton: And incur more costs.

Mr. Stewart (Yorkton): If any of the extreme circumstances which the hon. member has mentioned occur, if some lawyer died or if something else happened, you naturally apply to the court for an extension which would be granted. This act is different from our court of appeal. They even provide that during the period of long vacation you do not need to serve notice of appeal. Under the Saskatchewan king's bench act we have to serve notice of appeal even during long vacation. It is different here. The provision is quite liberal. There has to be a finality to litigation. Two months after the judgment is delivered is quite a long time. If the lawyer dies or if the file is lost or a witness dies it is a simple matter to apply to the judge for an extension which in most cases is always granted.

Mr. Fulton: I am glad to know that my hon. friend has always been able to deal with his cases as expeditiously as he appears to indicate, but he is not the only one who has read the section. These considerations had occurred to me. He has said that if a lawyer wants an extension of time he can apply for it and it is generally granted. May I suggest to him that that process involves the litigants in extra costs.

Mr. Stewart (Yorkton): Why not make it a year?

Mr. Fulton: That interjection is not worthy of my hon. friend. It is quite customary to allow ninety days. After all, the difference between ninety days and sixty days is only thirty days. For the reasons that I have given I think that the matter might well be taken under consideration.

Mr. Garson: Careful consideration was given to the length of time. We thought we were going quite a long distance in making it as much as sixty days, which is considerably longer than the usual period allowed in cases of this kind. I do not think we would want to change it. If the experience of the next year or two appears to show that there have been any hardships we might consider extending it to ninety days. I think we should let the sixty days stand now.

Section agreed to.

Sections 3 and 4 agreed to.

Bill reported, read the third time and passed.

DEPARTMENT OF JUSTICE ACT

AMENDMENT TO MAKE DEPUTY MINISTER OF JUSTICE THE DEPUTY ATTORNEY GENERAL

Hon. Stuart S. Garson (Minister of Justice) moved the second reading of Bill No. 9 to amend the Department of Justice Act.

He said: Mr. Speaker, as Minister of Justice I am, ex officio, Attorney General of Canada. As deputy minister of justice my deputy is not ex officio deputy attorney general, and there is not any deputy attorney general. This means that, in connection with all those matters coming before me as Attorney General of Canada, I am in the position of having no official deputy.

Mr. Green: How have you been getting along?

Mr. Garson: I sign all the papers. They come directly to me. I have some objection to having no deputy in the rather onerous position of attorney general, and the purpose of the bill is, with no increase upon the public expenditures, to make my deputy the deputy attorney general as well as deputy minister of justice.

Mr. Green: To cut down the number of signatures.

Mr. Garson: To cut down the number of my signatures, among other things.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Dion in the chair.

On section 1—*Deputy attorney general.*

Mr. Browne (St. John's West): May I ask the minister whether in addition to the work which he has said will be taken off his shoulders and passed on to the deputy minister, the deputy attorney general will have equal rights with him in advising the government and the governor general? I understand that is one of his duties.

Mr. Garson: Does the hon. member refer to points of law?

Mr. Browne (St. John's West): Yes.

Mr. Garson: I believe my hon. friend will find that as minister of the department, according to the rules of the house, I am debarred from giving out any legal opinions to the house. Legal opinions made available to the house are prepared by the deputy minister of justice, who, in addition to having that designation, will now be known also as deputy attorney general. The only rights of advising shared by the deputy minister and myself are those of advising the governor general in council and my colleagues.

Mr. Green: Is there any purpose other than the one the minister mentioned earlier? Is the deputy minister of justice being given any new functions, or is it merely a matter of office routine?

Mr. Garson: No, he is not being given new functions. There are certain acts and documents which I have to sign in my capacity as Minister of Justice. There are other acts, such as authorizations for suits in the name of the crown, which I must sign in my capacity as attorney general. Without the authority which this bill seeks to convey, everything pertaining to the functions of the attorney general must come to me for my personal authorization; whereas in connection with my office as Minister of Justice there are a number of matters which can be disposed of at the level of deputy minister.

As my hon. friend knows, in each instance these matters are certified along to the deputy minister, who in turn certifies them, and I ultimately sign them. The only practical effect of not having legislation of this sort in the past has been that there has been a large volume of purely formal matters to which it has been necessary to attach my signature. This bill will obviate the necessity of my doing so, and the delays which therefore took place if I were absent. I do not think it will make any substantial difference in the administration of the department, except in that respect.

Section agreed to.

Bill reported, read the third time and passed.

SUPPLY

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

DEPARTMENT OF AGRICULTURE

Special—

31. Major irrigation and water conservation projects in the prairie provinces, $7,500,000.

Mr. Thatcher: Mr. Chairman, I should like to say another word on this item. Last night the minister flabbergasted the whole house and particularly the people of western Canada, when he suggested that major irrigation works might be partly the responsibility of provincial governments. He surprised us particularly because in the past he has never made such a contention either on the hustings or in the House of Commons.

Last night the Minister of Agriculture, replying to the hon. member for Medicine Hat, said:

> As long as any government, whether it be that of Alberta, Saskatchewan, Manitoba or any other province, approaches the problem by trying to convince everyone that this is a federal job, all I can say is that they are approaching it from an entirely wrong point of view.

When I spoke a moment later I said, as reported at page 771 of *Hansard:*

> He has enunciated tonight—

referring to the minister.

> —an entirely new irrigation policy for the Dominion of Canada, when he suggests that the province should pay a portion of the cost of irrigation projects.

And then in answer, as reported at page 772, the minister said:

> This is not a new policy being enunciated tonight; it has been enunciated every time I have spoken on the question in the House of Commons.

I took the trouble to look up some of the speeches the minister has made in the House of Commons with respect to irrigation projects, and I shall now place on record some of the statements he has made in past years. They prove, I think, that the minister always accepted federal responsibility for major projects. As reported in *Hansard* for 1948, page 4540, the hon. member for Lake Centre asked—

Mr. Diefenbaker: Is it not the intention of the dominion government to expend some 65 or 67 million dollars, provided that this dam proves feasible?

Mr. Gardiner: I am not sure it will spend $66 million. It will spend whatever part of $66 million is necessary, if it is once determined to go ahead with the program, and if we have the consent of all the provinces to go ahead with it.

And again, speaking of the river, the minister stated:

We should not allow it to rush away to Hudson bay in the spring, but should provide storages all back along the route wherever they can be usefully placed . . .

—it is assumed that the federal government will provide the money for the storages. We do not undertake to provide the money to put in irrigation or to put in power developments, but we undertake to provide money for storages.

Mr. Gardiner: That is exactly what I said last night.

Mr. Thatcher: That is not what the minister said last night.

Mr. Gardiner: Sure it is.

Mr. Thatcher: No, it is not. The minister said last night that the provinces would have to pay a portion of the cost of these major irrigation developments such as the south Saskatchewan irrigation dam. If that is not the case, all the minister has to say now is that the federal government will bear the entire cost and I will be quite happy.

Then I quote from page 4271 of *Hansard* of June 17, 1947, as follows:

Mr. Thatcher: Can the minister say whether actual construction work will be commenced on that project this year?

I was referring to the south Saskatchewan irrigation project.

Mr. Gardiner: I am not in a position to say at the moment whether or not it will be started this year. Once we get that report, I shall have to approach Reconstruction for funds from the amount which will be voted under Reconstruction, the $5,000,000.

On page 4598 of *Hansard* of May 31, 1948, the minister stated as follows:

Mr. Gardiner: My hon. friend is missing altogether an obvious thing. As the hon. member for Davenport has just said, somebody will have at least $100 million; the only authority that can have that $100 million is the federal government, and I cannot conceive of the three provinces sitting down and saying: We are not going to allow the federal government to spend that money.

Mr. Gardiner: That was not for the south Saskatchewan alone.

Mr. Thatcher: Here is another one I should like to refer to.

Mr. Gardiner: I would point out that that was not just for the south Saskatchewan; that was for all the projects.

An hon. Member: Including the south Saskatchewan.

Mr. Thatcher: Of course, that is quite right, including the south Saskatchewan. Then on May 30, 1946, the minister was asked some questions by the hon. member for Acadia, and I quote from page 2025 of *Hansard* of May 30, 1946, where the minister is reported as follows:

It is understood, of course, by the hon. member for Acadia that ever since about 1938, we have been doing a certain amount of engineering work on the project. The engineering work which is now being done is the checking of that work by an expert.

If he finds that the engineering is satisfactory and the results which have been recommended are also satisfactory of course we shall proceed from there on the basis of the engineering work which has been done.

Mr. Quelch: That is, with the construction?

Mr. Gardiner: Yes . . .

Mr. Quelch: There is a good chance of going ahead next year, then?

Mr. Gardiner: I think so.

I could give further quotations of what has been said repeatedly in this house and out of it. Time and again the Minister of Agriculture has intimated to the Canadian people and to parliament that the federal government would assume the full cost of these major projects.

Mr. Gardiner: Of the dams.

Mr. Thatcher: The minister did not suggest that last night, or if he did I did not understand it.

Mr. Gardiner: The hon. member did not understand it.

Mr. Thatcher: That is the point I am trying to get clear. Will the minister say specifically this afternoon that the federal government will undertake the building of the dam, which he said would cost $66 million? Is the federal government going to assume that responsibility? The minister certainly did not say so last evening. At that time the minister suggested that the dam was a provincial responsibility. I want to say to the minister as humbly as I can that as he knows the revenues of most of the prairie provinces are such that if we have to wait for them to finance part of irrigation costs, we may have to wait indefinitely for major projects, or at least for 25 to 50 years. Under the drought conditions which are so prevalent today, such a wait would be disastrous.

Mr. Ferrie: The hon. member had better swallow that book and forget it. The hon. member opened his mouth and put his foot in.

Mr. Thatcher: My hon friend can be facetious if he likes, he can joke about this if he wants to, but irrigation is pretty important in our province. Perhaps they get a little bit more rain in the north than we do in the south.

Mr. Gardiner: Would my hon. friend like an answer to his question now?

Mr. Thatcher: Yes.

Mr. Gardiner: The answer is to be found in one of the quotations the hon. member just read, I think the second one. I have forgotten the exact date of it. It was definitely stated there that the federal government is undertaking to build dams and create storage. There has never been any question about that. In connection with the expenditures which would have to be made on irrigation works other than the building of dams, our contention has always been that the provincial government is responsible for a very considerable part of those expenditures. That is exactly the position we have always taken. It is recited there and it is still our position.

Mr. Thatcher: I am pleased to hear the minister make that statement. I did not take that meaning from what he told us last night, and I read *Hansard* very closely.

Mr. Gardiner: The hon. member should read it again because it is quite clear.

Mr. Thatcher: If that is the case I wish the government would get on with the work, and let us get this much-needed dam built.

Mr. McCusker: I have heard the hon. minister and other people discuss these irrigation matters in western Canada for a number of years. I heard the hon. minister discuss it during the last election, and I also went out and discussed it. It was always our understanding that the main projects, such as the dam at Elbow, would be purely federal projects—the hon. minister never tried to create any other impression—

Mr. Thatcher: The minister certainly did last night.

Mr. McCusker: Only in the hon. member's mind. The hon. member is a little confused about it. We were getting along quite well last night until he put his foot into it.

Mr. Knowles: Address the Chair.

Mr. McCusker: The minister has been quite clear in stating that when the dam is completed it is the responsibility of the provincial government to provide for the distribution of water. I have looked into this matter very thoroughly because the constituency which I represent is seriously concerned about water. I want to repeat what I said last night. We in Regina have to go to Buffalo Pound lake to obtain water. In order to obtain sufficient water there, we have to rob the great area that lies below that lake in the Qu'Appelle valley, of the runoff water in the spring which is now used to irrigate hay lands, and market gardens as well as considerable cattle land which is situated in the valley all the way down to Brandon.

When the hon. member was trying to assist me last night I think he confused the two projects. The project of getting water into Buffalo Pound lake is one which I think could well be undertaken by the federal government because it would be for irrigation of hay lands, stock-raising lands and market gardens. But the other project—of bringing water from Buffalo Pound lake to Regina and to Moose Jaw—would be the responsibility of Regina. We always have to look after Moose Jaw anyway and if my hon. friend continues to make irresponsible statements such as he has been making recently we will have to look after them politically as well as obtaining water for them; he has done us an injustice because he has confused the two issues. Regina has squared up to the issue and said that they will accept the responsibility as far as they are able to pay.

However, being unable to pay for the whole project they appealed to the Saskatchewan government. Hon. Mr. Fines and Hon. Mr. Nollet of that government came down to Ottawa and had an interview with members of the federal government, but they said that they wished only to act as intermediaries and did not want to accept any responsibility. The Minister of Reconstruction and Supply expressed some surprise that the provincial government was not willing to accept this responsibility, which was theirs if the city of Regina was unable to carry it out. He said that if they were willing to accept their share of the responsibility and make it a three-way split in the cost he felt the government in Ottawa might give it favourable consideration. I think my hon. friend, in his desire to help me, confused the two issues and I just wanted to set him right. I am a new member and perhaps I do not understand the way business is conducted in parliament.

As far as I can see, I think the government is doing a lot for irrigation in western Canada by installing these dams. I believe that we should be grateful and not dig up what the minister said here at one time and there at another time: "how many bushels of barley it takes to feed a pig", "how many cents that

barley costs", and other trivial items of that kind, in an effort to impede the business of the house and to try to place the minister in an embarrassing position over some quibbling little point. If we do not interrupt the business of government too much I think we will get something done, but this afternoon was a pretty sad exhibition of conducting the business of government.

Mr. Gardiner: Mr. Chairman, I should like to clear up a point raised a few moments ago. I have in my hand yesterday's *Hansard*, and in the last paragraph, at the bottom righthand corner of page 768, I find the following words:

> Therefore somebody ought to do something about establishing the capital works. We said that we were prepared to put in the main dam.

I do not know how I could have made it any clearer than that. It goes on:

> In other words we were prepared to establish the storage in the St. Mary's river and thus start to utilize waters which otherwise might have been taken into the United States.

That is just as clear as I made it a few moments ago, that we are prepared to build the dam on this project. There was never any question about that. After the words I have quoted we began to discuss the question of how we are going to share the cost below the dam.

Mr. Studer: Yesterday and today emphasis has been placed on dams in their larger aspects and on large-scale methods of irrigation in the west. I think the success of any particular venture in connection with the operation of P.F.R.A., the operation of government, the operation of social services or anything else, must be judged on balance so that we have a true perspective of the whole picture and will not give consideration only to one thing thereby encouraging it and developing it to the detriment of something else. Valuable and necessary as these larger projects are, we should not adopt the attitude in connection with P.F.R.A. that they are the only ones that will happen in the future. I think no one is qualified to speak on P.F.R.A. unless he has had in his hands and has studied the thirteenth annual report of the P.F.R.A. administration with the record of achievement of P.F.R.A. over a seven-year period. If you study that document you will reach a balance in regard to what P.F.R.A. is trying to do not only on a large scale, but also, and what is perhaps more necessary, in a smaller way during the interval of time necessary to maintain certain people in drought areas of western Canada until these larger projects are in operation so that they may avail themselves of them. To give an idea of what is happening under P.F.R.A. let me read the introduction to the thirteenth annual report.

Mr. Knowles: On a point of order—and I rise in a friendly spirit—I think we should abide by the rules. The hon. member seems to be launching into a discussion of the Prairie Farm Rehabilitation Act. That was item 30.

The Chairman: Item 32.

Mr. Knowles: No, Mr. Chairman, but you are to be forgiven for being confused. Item 30 was the Prairie Farm Rehabilitation Act. Item 32 is the Prairie Farm Assistance Act. We are now on item 31, major irrigation and water conservation projects in the prairie provinces.

Mr. Blackmore: In the first place I think it is only coming to the minister that he should be highly commended for the work he has done through P.F.R.A. I believe everyone recognizes that the work the minister has done in water conservation in western Canada is commendable in the highest degree. I doubt very much that any other Canadian statesman has made anything like as great a record in preserving the natural resources of Canada and developing the country. I think the minister is entitled to those words of praise and I do not believe they are overstatements in any sense of the word.

I should like to say a word or two on the general situation confronting the country in respect to the Lethbridge southeast water conservation project. May I say that I recognize there is no man in the Dominion of Canada who has the interests of the Lethbridge southeast water conservation project more at heart than the Minister of Agriculture. For that he is also to be highly commended.

I think a word or two will be in order for the sake of new members of the house so as to bring them up to date about the development of that most important project.

On February 17, 1941, there was appointed by order in council a committee called the Meek committee. It consisted of three members. The first was Victor Meek, who was controller of the dominion water and power bureau at Ottawa. He was the selection of the Minister of Mines and Resources. Then there was George Spence, director of the Prairie Farm Rehabilitation Act activities. He was the selection of the Minister of Agriculture. Both of those men were excellent selections. Then there was William E. Hunter, of the accounts branch, Ottawa, the selection of the Minister of Finance. I presume Mr. Hunter possesses just as fine qualities as the other two gentlemen, but I do not have personal acquaintance with him on which to base a judgment. These men were chosen to examine into the St. Mary and Milk rivers water development and to make a report. Their

report was issued in February, 1942. Hon. members who have just entered the house will be interested to know that they can obtain it in the House of Commons by approaching the right man who has charge of reports and papers. If they want to study the whole question they will find plenty of reading matter and entertainment for several days.

The report is an excellent one, scientific, objective, exhaustive and full of good things from cover to cover. I think the Meek committee deserve the highest commendation for the work they did.

The Meek committee said a number of things which have an important bearing on the situation before us at the present time. In the first place they said that an agreement should be worked out and signed by the federal government and the provincial government before work begins. I fear such an agreement has not been worked out and signed even up to the present time. Who is to blame? I do not know. Probably it is just "one of those things", and nobody is to blame, but the simple fact that stares us in the face is that the agreement apparently has not been worked out and has not been signed.

The result is that neither side knows enough to say exactly enough where it is going, to be happy about the situation. We have to take that as a part of the circumstances surrounding the matter. I should like to read certain words which form the basis of the statement I have made, and which are to be found at page 8 of the report. They are:

> The construction of the main reservoirs and connecting canals would provide the necessary facilities to store in Canada Canada's share of these international waters and would thereby be an insurance against the loss of a valuable resource.

Here I interject a few words for the benefit of those who are new members of this parliament. These are international waters. Consequently, according to international usage, they should be divided between Canada and the United States. Meetings were held in 1909, 1915 and 1921, as a result of which there was a division which was highly satisfactory to Canada.

It is understood among nations that when a country has a share of international waters and does not make beneficial use of its share, the other nation with a claim to those waters is perfectly in order in moving to reopen the question and in asking for a reallocation. That is the position that has confronted Canada. Unfortunately we did not make the progress after 1921 that we should have made in providing for the beneficial use of our share of the waters. It is better not to lay the blame on anyone, but the fact is that we did not do it. As a result, by 1935 the situation had become serious; by 1940 it had become very serious, and now it is even worse. Thus we can realize the meaning of the passage I just read. Now I go on to the next sentence:

> The construction of the main reservoirs and connecting canals is, however, not enough and unless provision is made, by extension of irrigation works to provide for beneficial and productive use, the expenditure involved by the dominion would not of course be justified.

Then I read the next paragraph, which is also relevant to the present debate:

> For this reason the committee considers that before any construction is undertaken there should be an agreement between the province and the dominion that the province will undertake to construct the remaining irrigation works required to put the water to beneficial use and assume responsibility for maintenance and operation of all works. This agreement, we believe, should be conclusive and should set out, without any ground for doubt or misinterpretation, a distinct division as between provincial and dominion responsibility. It should be ratified by legislative action.

If I may interject a word again, unfortunately that wise suggestion has not been complied with. That is partly why we had a little unhappiness in this chamber last evening. We should not permit ourselves to feel so strongly toward each other however that we cannot get on with the job. Somehow or other we must devise ways and means of making up for the oversight which has occurred, remembering that the war intervened and that following the war there were reconstruction problems which commanded the attention of men both in Edmonton and in Ottawa.

Now I go on with the next paragraph:

> The committee therefore suggests as a first step, that such an agreement be entered into between the dominion and the province. This agreement should provide for a co-operative development of the proposed project as broadly outlined in the foregoing paragraph.

That is all I desire to read from that section of the report. Hon. members will realize that we have really fallen into some difficulty because we have not heeded the counsel of this group of wise men. Now I am going forward with the next paragraph of their report:

> The committee further suggests that a reasonable basis for division of costs may be as follows—

Before I proceed with that may I comment on the fact that the minister just now read his statement from yesterday's *Hansard*, in which he set forth that the dominion agreed to build the main dam. Well, when the estimates were first drawn up the main dam would account for an expenditure of about $4 million out of an estimated total of $13 million for the whole project. It is a fine thing for the dominion to agree to build that dam, and all credit is due them; but it must

be borne in mind that the cost of the project including the dam, the canals, the distributing ditches, the reservoirs and so on is very substantial. The minister indicated complete willingness on the part of the dominion to share the cost of those subsidiary canals and reservoirs. Right there, in connection with the division of those costs, as to where the line of demarcation shall be drawn, is the point at which disagreement will arise. We must face this situation like the statesmen I am sure the members of this house intend to be and are, and like the statesmen I am sure the members of the Alberta house intend to be and are. We must iron out whatever difficulties there may be, make the very best of it and get on with the job. The committee suggested that the dominion should construct, as a one hundred per cent responsibility, the necessary facilities to store Canada's share of these international waters. We must give careful thought to the actual meaning of that expression. If we do so we see that a great deal of responsibility is placed by the committee upon the dominion government. These facilities to store the water should include all the reservoirs, of which there are at least seven, and the canals connecting those reservoirs so the water may be stored in them and the total quantity of water belonging to Canada preserved. That would be one interpretation. There may be others, but that is what the committee said. Now I read the committee's own words from the bottom of page 8:

> That the dominion undertake and assume as a one hundred per cent responsibility the construction of the main reservoirs—

Notice that the word is in the plural.

> —and connecting canals to provide storage facilities for Canada's share of the waters of the St. Mary and Milk rivers as apportioned under the order of the international joint commission of October 4, 1921.

There is a considerable amount of accuracy and definiteness in that expression, perhaps not enough but it was the best they could do. Those words formed a good basis for the agreement. Then the committee went on to suggest that the province of Alberta construct and carry out as a one hundred per cent responsibility the balance of the program outlined in section 9 of part 2 of this report. Section 9 contains sufficient reading for about five days, and I shall not endeavour to even give a synopsis of it, but that is what the committee said. Now I read their own words from page 9:

> That the province of Alberta construct and carry out as a one hundred per cent provincial responsibility, the balance of the proposed construction program as outlined in section 9 of part 2 of this report, or such changes of this program as may be found necessary and agreed to by the provincial and dominion governments.

I believe all hon. members will agree that statement is fairly specific.

Still reading from page 9, I quote:

> That the province of Alberta be wholly responsible for maintenance and operation as well as replacements after the construction of main reservoirs—

notice the word "reservoirs" is in the plural again.

> —and connecting canals—

"canals" in the plural.

> —has been completed by the dominion.

Again that is fairly specific, is it not? That would constitute the basis upon which both the province and dominion would proceed and naturally the thinking of both governments will be coloured by that background. If there is disagreement between the two, let us recognize that it is an honest disagreement. Each side believes it is right and there are no ulterior motives or delinquency on the part of either group.

There is a further recommendation that the amount of administration and the amount payable by the farmer, as well as the rate of repayment by the farmer, shall all be under provincial jurisdiction. I have not read the remarks the minister made last night, but I thought I gathered from what he said that he felt a little less happy because the province would have the handling of that.

Mr. Gardiner: No, I am not. As a matter of fact, my position is that they ought to do it and that they ought to pay their share.

Mr. Blackmore: I do not want to say very much about it because I have not read the minister's words, but here are the words used by the commission. It was stipulated that there should be an agreement between the two governing bodies on the matter of ultimate settlement and colonization. As everyone who has had anything to do with an irrigation project knows, that is a major consideration. After the project is completed, provision must be made to make sure there are good people on the project who are able to make a living.

May I read from the report in this connection? I read from page 9:

> That the province of Alberta have full jurisdiction with respect to arrangements it may make with its municipalities, irrigation districts or others, as regards repayment of capital or for service charges necessary to the maintenance, operation and replacement of works.
>
> That the suggested agreement should provide, among other things, for ultimate settlement and colonization.

Now, that is what the two governments started with and, really, they have not got beyond that yet. Perhaps the members of

the committee would be interested in knowing something about the reservoirs which are involved. On page 181 of the Meek report, there is a list of reservoirs involved in building the whole project. First, there is the St. Mary reservoir capable of storing 270,000 acre-feet of water. Then, there is the Chin reservoir enlargement capable of storing 150,000 acre-feet; the Verdigris reservoir, 140,500 acre-feet; the Milk river reservoir, 80,700 acre-feet; Raymond reservoir, 16,900 acre-feet; east Pothole reservoir, 14,000 acre-feet; and the Horsefly lake reservoir, 6,000 acre-feet.

Hon. members who have not been near a reservoir capable of storing thousands of acre-feet of water will have some difficulty in conceiving how large a project a reservoir of that size is. I can tell you that a reservoir such as the Pothole is not a duck pond; it is no puddle in the prairie. These are large reservoirs requiring huge dams. Even a reservoir capable of holding 6,000 acre-feet is quite large. Just where are you going to draw the line? Are you going to say that all these reservoirs down to the Raymond reservoir with 16,900 acre-feet are main reservoirs and the others are not? Really, all those matters should have been ironed out, and would have been if it had not been for the anxiety incident to the war.

There is one more reservoir that is of considerable importance. It is the Waterton river reservoir capable of storing 28,000 acre-feet. This one is not mentioned on page 181 of the Meek report, but it is mentioned by Walter Foss who was the engineer who designed the St. Mary dam. You will be able to find verification of that.

I shall continue my remarks when we reconvene.

At six o'clock the Speaker resumed the chair and the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

PRIVATE BILLS

MOTION FOR SECOND READINGS

Mr. E. T. Applewhaite, Skeena (for Mr. Winkler) moved that the following bills be read the second time:

Bill No. 15, for the relief of John Henniker Torrance.

Bill No. 16, for the relief of Edith Harriet Black Hambly.

Bill No. 17, for the relief of Margaret Reid O'Connell.

[Mr. Blackmore.]

Bill No. 18, for the relief of Alton Charles Bray.

Bill No. 19, for the relief of Kathleen Gertrude Macartney Dorken.

Bill No. 20, for the relief of Louise de Forest MacAlpine.

Bill No. 21, for the relief of Jessie Fraser Blaiklock Stewart.

Bill No. 22, for the relief of Alice Lafond Burnham.

Bill No. 23, for the relief of Muriel Annie Elizabeth Hicks Kurtzman.

Bill No. 24, for the relief of Robert Walsham Herring.

Bill No. 25, for the relief of Leta Helen Butler Waller.

Bill No. 26, for the relief of Violet Blodwyn Young Murdoch.

Bill No. 27, for the relief of Joseph Tannenbaum.

Bill No. 28, for the relief of Isabel Christine MacLean Robinson.

Bill No. 29, for the relief of Marie Annette Vallieres Handfield.

Bill No. 30, for the relief of Nicholas Kouri.

Bill No. 31, for the relief of Viateur Fortier.

Bill No. 32, for the relief of Lois Elizabeth Rolph.

Bill No. 33, for the relief of Madeleine Dunn Landry.

Bill No. 34, for the relief of Arthur Joseph D'Avignon.

Bill No. 35, for the relief of Jessie Gwendolyn Paul Giroux.

Bill No. 36, for the relief of Celia Maria Gabrielle de Costa Baxter.

Bill No. 37, for the relief of Dorothy Amelia Beattie Harrison.

Bill No. 38, for the relief of Rosaline Laham Anber.

Bill No. 39, for the relief of Anna Starzynski Sztafirny.

Bill No. 40, for the relief of Marjorie Claire Dickison LeMieux.

Bill No. 41, for the relief of Dorothy Ruth Brown Bailey.

Bill No. 42, for the relief of Lorne Bradbury Ashton.

Bill No. 43, for the relief of Harry James Seaban.

Bill No. 44, for the relief of Julia Seram Odenick.

Bill No. 45, for the relief of Myrtle Elizabeth Howat Brammall.

Bill No. 46, for the relief of Francis Gilmer Tempest Dawson.

Bill No. 47, for the relief of Imelda Poirier Tremblay.

Bill No. 48, for the relief of Joseph Charles Paul Emile Chales.

Bill No. 49, for the relief of Robert Mason Watson.

Bill No. 50, for the relief of Catherine Alexandra Mackenzie Mitchell.

Bill No. 51, for the relief of Irene Filion Primeau.

Bill No. 52, for the relief of Mary Jean Strachan Taylor.

Bill No. 53, for the relief of Edna Kate Folley Dickenson.

Bill No. 54, for the relief of Gerald Geoffrey Racine.

Bill No. 55, for the relief of Yvonne Marshall Balfry Corbin.

Bill No. 56, for the relief of Colleen Ethel Thornhill Clark.

Bill No. 57, for the relief of Leith Albert Anderson Baldwin.

Bill No. 58, for the relief of Marie Jeanne Martin.

Bill No. 59, for the relief of Irene Emily Katerelos Stones.

Mr. Paul E. Gagnon (Chicoutimi): Mr. Speaker, once again I should like to say a few words to show that I am opposed to these bills.

(Translation):

I wish, once again, Mr. Speaker, to protest against these divorce bills. It is a shame and a disgrace for representatives of the people who should protect the higher interests of their constituents, to act contrary to God's authority and contribute to the destruction of the family, that social entity upon which depends the life of nations.

Tonight, we are asked to approve these anti-Christian and anti-social measures, although we have not even looked into the false evidence submitted to the courts during the inquiries that preceded these decisions.

Marriage being indissoluble and of divine origin cannot be dissolved by man.

St. Matthew, chapter 19, from verse 3 on.

> What therefore God hath joined together, let not man put asunder.

In favouring divorce not only do we usurp a right which does not belong to us, but we bring down upon our country the wrath of Him who rules our destiny. Divorce is more than a calamity, it is national suicide. Its subversive character is a menace to society.

The more divorces we have in this country, the more children will roam the streets and the more inmates will there be in our prisons and penitentiaries.

The first victim of divorce is the child. He, more than any other, deserves our pity, for he is completely blameless of the evils that attend upon him and his misfortune leads to consequences less readily remedied than in the case of his parents. Parents can make a new start, as they say; not so the child. His home has been destroyed, and he is forevermore out of place.

Divorce is, by its very nature, so inimical to childhood that it suppresses the child even before its birth.

In fact, the birth rate is lowest in countries where divorce is most prevalent. It is because of its socially disastrous effect that divorce must be condemned, since the advantage of any husband or wife cannot take precedence over the welfare of the community:

> Disregarding the social repercussions of divorce would lead to a policy of compromise extremely detrimental to the maintenance of public order. Alleged termination, the Church notwithstanding, of a legal status assumed under its authority and auspices involves a dangerous responsibility.

In the general instructions which it issued to the Catholics of Canada in 1900, the first plenary council of Quebec stressed abstention:

> In the above-mentioned divorce court, let the faithful abstain from behaviour which would be conducive to breaking the bond of matrimony.

That is why, as a Catholic and a true Canadian, I wish to do my duty by opposing such evil laws. I therefore beg the house to turn down these petitions.

(Text):

Mr. G. R. Pearkes (Nanaimo): Mr. Speaker, I rise to endorse the sentiments just expressed by the hon. member for Chicoutimi (Mr. Gagnon). I rise as a Protestant because I have the same feeling of revulsion as the hon. member has given voice to in passing these various divorce bills without due consideration. I feel humiliated that I should have sat here during the whole of the last parliament of Canada and on various occasions have seen twenty, thirty, forty or fifty bills asking for the relief of various individuals presented before this House of Commons. I wondered why these bills were presented to the House of Commons. I did not have the wisdom nor the courage to stand up on my feet and to ask why it is necessary that this type of bill should be passed through the House of Commons without any questions being asked. I say, and I am proud of the fact, that I am a member of the Church of England. I have always believed in the sanctity of the family. From my earliest boyhood I have felt that the British empire, now called the commonwealth, with Canada, has had all its history based upon the fact that the backbone of the nation was the unity and family life of the very humblest of her citizens, and therefore it has been extremely repugnant to me that I should be called upon to pass these bills for the relief of various individuals without a proper examination of the causes and reasons as to why the various individuals concerned are entitled to relief.

I may be to blame. It may be that I should have examined more carefully the bills which had been passed in the other place. It may be that I should have attended some of the discussions of the committee which was investigating these matters. I plead guilty. I have not. It has been distasteful to me even to read the contents of the bills. It is seldom that I have done so. I have never attended any of the discussions in the committee; and while I plead guilty of having neglected perhaps my duty in that respect I know that the same negligence is true of practically every other hon. member. Very few of them have taken the time or have the time to sit in and hear the discussions of the various cases. I do not know whether it is possible for one to apply to some official of the house and have in printed form supplied to him the details with respect to the investigation carried out by that other body. Today there are about 100 new members sitting in the house, each and every one of whom will be asking himself the same question: What is this all about? Why am I called upon to sit on these chairs, like a bump on a log, and just say yea to a series of bills which, in my heart of hearts, I believe is striking at the very roots of our Canadian life, the sanctity of the home, the very thing upon which the backbone of this country has been built?

On this occasion, when within the last few weeks we have heard discussions with respect to crime comics, these matters are closer to our minds. The hon. member for Kamloops (Mr. Fulton) has introduced a bill in which he has regretted the prevalence of the crime comics being distributed throughout this land. That has focused attention from the Atlantic to the Pacific on this very question of the sanctity of the home.

Here is another invasion upon that great prerogative of British and Canadian peoples. Are we just going to accept these motions? Are we just going to pass them through? I would ask either the Minister of Justice (Mr. Garson) or the hon. member who is introducing these bills, just why we should tender relief to John Henniker Torrance, or to Edith Harriet Black Hambly, or to Margaret Reid O'Connell, or to Alton Charles Bray.

Perhaps I should have found out these things, but with the exception of the hon. member who is sponsoring these bills, and possibly his seconder, I do not believe there is one member who is able to stand up and explain to us why we should grant relief to these particular individuals.

This whole matter is most repugnant to me. Perhaps someone will say: Why raise this question now? I have given one reason —because the country is being disturbed by attacks which have been made upon home life through these crime comics, which have been brought to the attention of the whole country by such clubs as the Kiwanis clubs throughout Canada, and such organizations as the parent-teacher organizations, from one end of the country to the other.

This is one of the healthiest signs of today. There seems to be a determination from the Atlantic to the Pacific to preserve the Canadian home. It is therefore for that reason that I feel this is an opportune occasion to speak. Perhaps a minor reason which has come to my attention is that over this very week end, within a few miles of this city, services are being held to commemorate the visitation of that first great Protestant bishop, Jacob Mountain, who carried out his journeys throughout upper Canada almost two hundred years ago. In a small town between here and the St. Lawrence river people are gathering together to pay homage to that great missionary. If I have read correctly the biography of his life, no man in the history of Canada placed a higher valuation upon the home life of those early Canadian pioneers who settled, not only in upper Canada, but also in lower Canada, what is now known as the province of Quebec.

He was the great champion of the early life of the pioneers who settled here in Canada, people who came here perhaps as United Empire Loyalists after they had been driven out of what is now the United States. He was also the great champion of the French Canadians who were living in this land after the occupation. As a Protestant bishop he stood out and defended the rights of those people to worship in the way in which they had always been brought up to worship. He did not adopt a narrow point of view. The one thing which stands out all through his great life was that he was a champion of the sanctity of the home.

I feel therefore that today is an occasion upon which we may query the wisdom of passing carte blanche these numerous divorce bills. Then I was disturbed just the other day in this chamber—a week ago today to be exact—when, during a discussion of veterans affairs, some remarks were made regarding the possibility of veterans and their wives going to the United States and obtaining divorces there which would not be recognized in this country.

The hon. member for Yorkton (Mr. Stewart) made these remarks in reply to the hon. member for Cape Breton South:

> The hon. member for Cape Breton South (Mr. Gillis) mentioned the matter of divorce. I do not know—

Mr. Speaker: Order. The hon. member should not refer to another debate in the same session.

Mr. Pearkes: This took place during a discussion of the estimates a week ago. While perhaps I should not quote the actual words, the hon. member for Cape Breton South made it quite clear that there were difficulties experienced, so far as the veterans were concerned, where their wives might go over to the United States and there obtain divorces. In asking for a further explanation the hon. member for Yorkton (Mr. Stewart) asked if he —that is, the hon. member for Cape Breton South—really meant that he was advocating that veterans should be allowed to take common-law wives, and that such common-law wives would receive the allowances, if divorces were obtained?

Mr. Speaker: Order. The hon. member should not refer to that debate at the present time.

Mr. Pearkes: Well, I am extremely sorry, Your Honour; but if I am not permitted to refer to it may I conclude by saying that I was perturbed by the levity with which the hon. member for Yorkton said: "Well, if that is so, we would all get rid of our wives".

Mr. Stewart (Yorkton): On a question of privilege, the member for Yorkton did not treat it with levity. He treated as serious the question asked by the hon. member for Cape Breton South and assumed that if what he advocated did happen, that would be the effect. He considered as humorous that if that was the case some of us would get rid of our wives. The hon. member for Yorkton is just as good a family man, and probably better than the hon. member for Nanaimo.

Mr. Speaker: I think probably this discussion will indicate to all hon. members that they should observe the rules.

Mr. Pearkes: I certainly am not going to enter into any discussion as to our relative family associations. I think I am capable of drawing the line between levity and humour. May I ask this question: Is it indicative of the general feeling which may be prevalent that perhaps the sanctity of the home is not regarded quite as highly as it used to be?

There is one other reason why I believe this question should be raised at the present time. We have welcomed into the brotherhood of Canada a tenth province, the province of Newfoundland. I am not learned in the law and I do not know anything about the divorce laws of that province, but I should like to know briefly what they are. Are we going to have a large number of bills presented for the relief of residents of our new province of Newfoundland?

I am in deadly earnest about this matter. I feel that this is a challenge to the times of today. As I said earlier, I plead guilty to the charge of having failed to inform myself more fully about this matter, instead of passing these bills, in so casual and haphazard a manner throughout these years. I think the time has come when we might well ask why it is necessary that this House of Commons should have to deal with these bills, and also what will be the effect of this practice now that the tenth province of Newfoundland has been brought into this Dominion of Canada.

Mr. Clarence Gillis (Cape Breton South): Mr. Speaker, I am not going to take part in a debate on the bill; I merely want to have the record straight. In view of the exchange between the hon. member for Nanaimo (Mr. Pearkes) and the hon. member for Yorkton (Mr. Stewart), I feel that I must say something at this time. If I did not, *Hansard* would look as though I had advocated the practice of having common-law wives. I certainly do not want to leave it that way. When the discussion took place I considered that the hon. member for Yorkton was joking and I paid no attention because I thought anyone reading the debate would see it in that light.

I was not advocating divorce as such, nor the practice of having common-law wives; I was simply pointing out the difficulties facing certain service personnel in this country. While some of these men were overseas their wives divorced them in the United States.

An hon. Member: And in England too.

Mr. Gillis: Some of these men remarried and they thought everything was all right until they came to apply for pension. They had gone through a legal ceremony, sometimes with the sanction of the church, but nevertheless the pension authorities did not consider them as being married. I was merely pointing out to the Minister of Veterans Affairs (Mr. Gregg) that something should be done to straighten out the status of these men and women for pension purposes. They had got into this position through not understanding the laws of the country.

In so far as the bills themselves are concerned, may I say that I served on the committee for a couple of terms. I have always been opposed to the way this is done and have always suggested that some other means should be found of handling this matter. I think perhaps the exchequer court might be used, as I do not think it is too busy. But as long as the other place and the House of Commons want to do it this way, then I think it is entirely up to hon. members.

Mr. J. W. Noseworthy (York South): Mr. Speaker, I wish to register my objection to these bills, not because I object to divorce

as such but because I object to the way they are presented here. First of all, I would point out that we have spent several days, as much as three hours on some days, discussing other private bills but so far this session these are the only private bills to my knowledge to which the government has not objected. Some of the other private bills which in my opinion were worthy of consideration were washed out because the government registered opposition.

We are being presented with a batch of forty-five private bills all sponsored by one member. Every one of these forty-five bills is couched in exactly the same language, the only difference being the name and the place of residence of the party concerned. There is no way in which I can have any knowledge of the merits of any one of these bills.

Mr. Weir: The hon. member gets the evidence.

Mr. Noseworthy: Hon. members are being asked to pass en bloc forty-five bills about which they have no knowledge whatever, and to do that is simply to make a farce of this House of Commons.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, I am glad the Minister of Justice (Mr. Garson) is in the chamber because this matter is serious enough to be worthy of consideration, not only by the minister but by all members of the house. We have forty-five bills being presented under one motion for second reading, which of course has always been the practice. However, before the motion for second reading is passed I think we should have some assurance from the minister that consideration is being given to this problem. Each session hon. members have objected to the method in which these bills are handled, in fact have objected to parliament having to deal with divorce at all. I am confident that every hon. member here this evening who served in the last parliament is thoroughly disgusted with the whole procedure and is convinced that some new way should be found to deal with this question of divorce.

Protests have been made and agreement has been expressed on all sides of the house. It is not a party matter; it is a matter that concerns all of us as private members of the house. While there has been dissatisfaction nothing has been done about it. We are now in the first session of a new parliament, and I think it would be a great mistake to allow these bills to go through after a short discussion and a few complaints, and thereby establish a precedent which will be followed for the next four or five years of the life of this parliament.

[Mr. Noseworthy.]

Therefore I hope that the Minister of Justice (Mr. Garson) has given consideration to a way to meet the problem, and that he can give us some definite assurance tonight that steps will be taken at an early date to get the whole problem out of the hands of parliament. It is most unfair in so many ways. First of all it is unfair to the unfortunate people concerned in the divorce actions. They have to pay far more to get a divorce in this way than they would pay to get a divorce before the courts. There is a great deal of delay. They can only get a divorce while parliament is in session. There is a great deal of publicity given to individual cases which would not be so before the courts. The transcript of the evidence taken before the committee of the other house is printed and distributed to every member of the House of Commons. I do not doubt that those transcripts become available to many people in Ottawa, and perhaps in other parts of Canada as well. The tragedies of the lives of these people are broadcast, which is a very objectionable feature, and a feature that is not allowed in some of the provinces. I know in the province of British Columbia the laws are very severe about what stories may be printed in the press arising out of divorce actions. From the point of view of the unfortunate individuals concerned, this method of obtaining a divorce is most objectionable, and I think entirely out of date.

From the point of view of the House of Commons the proceedings in connection with divorce bills are not judicial in any sense of the word. The House of Commons is not a court. We are not set up, and our committees are not set up, to try these cases as they should be tried. The procedure is wholly inefficient. It means a great waste of the time and energy of the members of the house. I believe the hon. member for York South (Mr. Noseworthy) described it as a farce. He was quite correct in calling the whole procedure a farce. It is just one grand farce.

Worst of all, it is beneath the dignity of the House of Commons to have to deal with hundreds of divorce actions. I do not doubt that at this session several hundred of them will go through the mill at Ottawa. We were not elected to come down here to pass divorce bills. It is not our responsibility as members of the House of Commons. Therefore I hope that this new parliament will insist that some method be devised to deal with applications for divorce. Different solutions have been advanced—for example, the setting up of a new dominion court, or having the exchequer court expanded. Various other solutions have been suggested. I am not in a position to know which of them is the most workable,

but surely there is some way in which this problem can be met. I hope that the Minister of Justice, or one of the other ministers of the crown will explain to the house whether any legislation or plan is in contemplation that will meet the difficulty.

Hon. Alphonse Fournier (Minister of Public Works): Mr. Speaker, for at least the last fifteen years I have heard general debates on divorce in the House of Commons the first time that the bills were called for second reading. Sometimes I have participated in the debates. Tonight I thought I would remain quiet, but I have listened to the same speeches over and over again.

Mr. Green: Not from me; this is the first time I have spoken.

Mr. Fournier (Hull): Yes, and I respect every word the hon. member uttered. I cannot agree with every word but I respect his opinion. I am the second member from the province of Quebec to speak on this question tonight. The hon. member for Chicoutimi (Mr. Gagnon) told the house and the country that for religious reasons and because of his convictions he was opposed to divorce. I agree with him; I am opposed to divorce. I should like the house not to forget that in everything I say in the few remarks I shall make that I am opposed and will always be opposed to, and will always vote against bills of divorce.

One hon. member rose and asked why it was that the government has allowed the house to discuss private bills for hours and hours since the beginning of the session and yet does not object to these divorce bills. If the hon. member will look over the orders since the beginning of the session he will see that so far we have not discussed one private bill. We have had public bills but we have not had private bills. I think he will see the difference between a public bill and a private bill.

Then there is the responsibility of members of parliament. The hon. member for Vancouver-Quadra (Mr. Green) said that we were not elected to deal with divorce bills. I take issue with him on that point. If he will look up subsection 26 of section 91 of the British North America Act he will find that we have exclusive jurisdiction to legislate on divorce. No other body in the land has that jurisdiction.

Mr. Green: If the minister will permit me, what I really meant to say was that our constituents did not believe when they elected us that they were electing us to come here to deal with applications for divorce.

Mr. Fournier (Hull): The hon. member knows that his electors are all conversant with the British North America Act; they know that this section is there, that it is the responsibility of this parliament. As to the history of divorce, Quebec is the only province where there are no divorce courts.

An hon. Member: And Newfoundland.

Mr. Fournier (Hull): Exactly; I inquired a moment ago about Newfoundland because I did not know.

Mr. Pearkes: That is why I asked the question.

Mr. Fournier (Hull): Eight of the provinces have courts of divorce. Cases are heard, some are contested, but the majority are probably heard *ex parte*. I have read some of the evidence given before the courts and you will find that it is about the same evidence that is presented to the committee of the Senate charged with the duty of hearing it. There is not much difference. I have attended some of the sittings. The evidence is about the same, and the conclusions are the same. The only difference is that the house relies on what is done in the Senate. Our committee on private bills could call witnesses, and in the past we have called witnesses to have them repeat their evidence or enlarge upon it.

Eight of the provinces accepted courts of divorce. I think I know the sentiment of the province of Quebec, and I know that parliament would never try to impose divorce courts on that province. The great majority of the people do not believe in divorce or in courts of divorce. They do not even believe in this section of our constitution.

What is the position of parliament? We cannot hinder a person who desires to present a petition to parliament under this section of the British North America Act for the passing of a statute; and it must be remembered that each of these bills is a special statute passed just as we pass other statutes. We cannot deprive the citizens of this country of the right to petition parliament to have a bill passed. Then it is up to the houses of parliament to accept or reject these bills. Every time there has been a vote on these divorce bills they have been carried. In the ordinary course of our deliberations I have never seen them refused.

An hon. Member: You have such a majority.

Mr. Fournier (Hull): I do not think my hon. friend is fair in making that remark, because he knows that included in that large majority are about sixty-three coming from the province of Quebec, among whom there would not be very many who would vote for these bills.

To answer the hon. member for Vancouver-Quadra, as to whether the government has been thinking of other means to replace this system, I can only say that in the last parliament consideration certainly was given to the question. Speaking from memory I believe a committee was even set up, composed of senators and members of parliament, to see if any new means could be devised to deal with these matters. When they began to study the question they realized the difficulties that confronted them, and they did not recommend any change in the present procedure. It was suggested that we might have a special court, a dominion court for divorces; that we might refer them to the exchequer court, and so on. Some even thought that we might accept the evidence given in Quebec as to separation of bed and board and permit that evidence to be used in divorce cases. Then we would become real rubber stamps, taking that evidence and passing bills based upon it. But that committee did not recommend any change in the present system, and no one who has spoken this evening has suggested any workable system that could be applied to the province of Quebec.

In my province we are satisfied with the way these bills are dealt with here. Oh, they do not like it, but they would rather have this system than have divorce courts in Quebec. So why should members elected from the other eight provinces try at every session to impose upon our province their way of dealing with marital cases? Some hon. members do not even know that Quebec is the only province in which divorce is not recognized.

An hon. Member: And Newfoundland.

Mr. Fournier (Hull): That is true. In other days when I discussed this matter there was only Quebec; now there is also Newfoundland. If the people of those two provinces do not wish to have divorce courts, why should members from the other provinces try to impose that system upon them? I will vote against these bills; I am against them. Many people who favour divorce do not like this system. Well, let me tell you that none of the systems they have devised to separate man and wife are very good. I do not know of one that is worth very much. That is my personal opinion, not speaking as a member of the government.

These people have petitioned parliament; they have brought their evidence; the bills have been passed by the Senate and are here to be discussed. If they get second reading the principle is adopted, and then they go to a committee. That committee can get all the evidence it wishes before recommending that the bills be brought back to committee of the whole here, where they may be refused or accepted. That is the system; and certainly if any of these bills are defeated it will not affect the government. We from Quebec probably would be pleased, because we do not like these divorce cases coming here or elsewhere.

I am not speaking for the government except when I reply to the hon. member who said the government did not oppose these private bills, but did oppose other private bills. Well, there were none until tonight; and the government does not interfere in these cases.

Mr. Angus MacInnis (Vancouver East): I have been here about the same length of time as the Minister of Public Works (Mr. Fournier), and each session during that period I think we have had a debate somewhat similar to the one we are having tonight. I believe we are dealing with this question in the wrong way. I agree with the hon. member for Vancouver-Quadra (Mr. Green) that we should not be condemning divorce as such, since divorce is recognized in every province of Canada with the exception of two, but rather we should be trying to devise some method of dealing with divorce cases from those provinces so that these people would not have to come to parliament and a statute be passed to deal with each separate divorce. That is the whole issue. I do not agree with those who say that the way divorce cases are dealt with in this parliament is a farce. I believe they are dealt with with just as much care, just as regularly and just as much in accord with the rules of evidence and procedure as they would be if heard in a court of law.

Mr. Green: In the Senate; not in the House of Commons.

Mr. MacInnis: Yes, in the Senate. That brings up another point. Last year I discussed this question with some of the gentlemen in the other place and learned who were the members of the divorce committee. I found they were prominent lawyers, among others, all of them men of principles and judgment, men who believe in the institution of marriage. So these cases are dealt with according to established procedure. They come here as all other bills that originate in the other place; but we have reached the conclusion, and I think rightly—this was done many years before I came here—that there was no particular merit in discussing in this house what had been discussed thoroughly already in the other place where witnesses are sworn and evidence heard.

For some years I was on the miscellaneous private bills committee. I think all new members are put on that committee, though all new members could not go on it this time

because there are so many. As far as I can remember, during the four or five years I was on that committee there were only two cases in which the evidence was heard. The reason was that the committee was satisfied with the evidence as it came from the other place.

The Minister of Public Works says the people of his province are opposed to divorce. Evidently that does not apply to all the people of Quebec; otherwise we would have no divorce cases here. There is a minority in that province who believe in divorce; that is, they believe in divorce when there is no other solution to their family problems but the dissolving of the marriage contract. We speak about minority rights. I think there is here a definite minority right which should be recognized. Remember, no one has to present a petition for divorce, either to this house or to any court, if he or she does not want a divorce. There is no compulsion about it. Surely, people who believe that it is proper, in a legal manner, to dissolve the marriage and begin life over again are entitled to have some place to which they can appeal to that end.

The member for Nanaimo (Mr. Pearkes), for whom I have the very highest respect, has referred to the sanctity of the home. He has left the impression that it is the divorce that is destroying the sanctity of the home. Surely, that is all nonsense. The sanctity of the home is destroyed first, and the divorce is a result. The sanctity of the home is not going to be restored by refusing to grant a divorce. Let us be reasonable in this matter. Let us recognize that the people of Quebec and Newfoundland who want divorce are entitled to come to this parliament until such time as those provinces establish courts. If these provinces do not establish divorce courts there should be some dominion court to which they can come, not to destroy their homes, but to try to begin their lives over again. I think that is what most of the members of this house want.

In the province of Quebec, there is a way of dissolving a marriage. It is not called a divorce, but an annulment. In any event, there is a separation and the result is the same.

Some hon. Members: Oh, no.

Mr. MacInnis: The marriage is dissolved and the couple separate; that is the important thing. In common with many of the members here, I hope I will never need to appeal either to this parliament or to any other institution anywhere for a divorce. There are people, however, who will have to and it would, in many cases, perhaps be very difficult to place the blame on one party or the other. When the stage is reached when they cannot live together, the decent thing—I use the word "decent" in its proper meaning—is for them to separate. Nothing could be more indecent than that two people should have to live together after the love that brought them together had disappeared.

Mr. Irvin W. Studer (Maple Creek): Many of us who are faced with this situation for the first time are certainly in a quandary in attempting to decide what we should do. I should like to assure you, Mr. Speaker, that I also find these divorce bills very distasteful in more ways than one. I have all the trouble I want right at home without getting into any more. I should like, however, along with some of the others to express my opinion about some different form of making provision for these divorces that originate in provinces in which no divorce courts exist. If that were done, I would be relieved of the responsibility of passing judgment on something I do not know anything about.

This evening, Mr. Speaker, I am in a position where I just cannot vote. If I vote for the measure, I have to vote by taking someone else's word for it. It is not a proper procedure to follow. Perhaps all these bills should be passed, I do not know. Until I am in a position to say whether or not these bills should be passed, I am not in a position to say anything. With all deference to those who have spoken this evening, I have not heard sufficient reason yet for passing these bills. I should welcome some additional information, as I have no doubt the other new members would, as to how this procedure we follow came about.

Mr. W. J. Browne (St. John's West): Mr. Speaker, this is a subject upon which this house would be very strongly divided if it were a matter that was being introduced by the government. At the present time, I do not wish to go into the merits of the question of divorce. Some hon. members have made reference to the position in the province of Newfoundland, and it has now been made clear that we have no divorce law in Newfoundland. There are no divorce courts there. If anyone in Newfoundland wanted a divorce, he or she would have to come to parliament.

When one looks over this long list of persons, one thinks of the tragedies that must be wrapped up in these bills. I believe we should give some thought to this question of how these people came to be in that position. How could their lives be made happier, in the first place, and perhaps kept from going on the rocks? It seems to me that by providing an easy remedy such as divorce, we are not improving things for most of these people but making them worse. We all have sympathy with most of them, although we

know very little about the matter, as the previous speaker has said. It is difficult to form an opinion on the subject. I am happy to say that, up to now, we have no divorce in Newfoundland. I hope we will not have it.

I have had a good deal of experience in connection with domestic matters, as have some of the other members who come from Newfoundland. Both the Secretary of State (Mr. Bradley) and the member for Humber-St. George's (Mr. Kent) have been magistrates and they know something about domestic cases in Newfoundland. I have taken a great interest in that subject. I have tried to talk to people and tried to get them to come to an agreement so that they would live happily together. It pleases me to be able to say that it worked. I believe if divorce were made easy, many of those families would have been broken up. I have seen men and women sitting in my office who seemed to hate one another. After talking it over with them, perhaps having them back again, I found that their differences disappeared. They went back together and lived happily, I hope, ever afterwards. In any event, they did not come back to me.

Mr. Speaker: The hour for private and public bills having expired, the house will resume consideration of the matter under discussion at six o'clock.

SUPPLY

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

DEPARTMENT OF AGRICULTURE

Special—

31. Major irrigation and water conservation projects in the prairie provinces, $7,500,000.

Mr. Blackmore: Before the house took recess, I was discussing the recent story of the Lethbridge southeast water conservation project, also called the St. Mary and Milk river conservation project. I told of the Meek committee formed in January, 1941, which submitted its report in February, 1942. They recommended an agreement between the Dominion of Canada and the province of Alberta before work began on this project. It was recommended by them that the dominion construct all works necessary to store Canada's share of the water. This committee recommended that Alberta should construct works to provide for the beneficial use of the water. I named the eight major reservoirs which constitute the project.

At this stage, I should like to name the six main canals which form part of the project. Those canals are listed on page 181 of the Meek report. The first one is the enlargement of the Taber canal; second, the canal to the Medicine Hat district; third, the High Line canal across Chin coulee; fourth, the main canal to New Dayton district; fifth, the main canal to east Verdigris district; sixth, the main canal to Milk river district. There will be a good many other canals, some of which it will be difficult to classify as main or subsidiary.

Remembering what the committee said about the responsibility which it believed should be assumed by the federal government and the provincial government respectively, once more I say there will be room for considerable variance of opinion as between the federal authorities and the provincial authorities. I think it is fitting to observe that if any group of the hon. members who constitute this house found themselves responsible for the well-being of any one of the ten provinces in this dominion they would take their responsibilities very seriously and they would be careful not to assume any more financial commitments than were necessary under any given set of circumstances. I am sure that that would be true of the Minister of Agriculture himself, at one time premier of Saskatchewan. He must of course recognize that if a provincial government is worth anything to the province it will defend the interests of the province. The same is equally true of any group of gentlemen in this house who might be called upon to form a federal administration. They would be just as careful of the interests of the federal government, and it is just as natural that they would be. Bear in mind, Mr. Chairman, that the thing that I would resent, if I were to lend myself to resenting anything in connection with this very human situation, is this, that any one side should look upon the other as being culpable. That is not necessary. These groups of men are simply looking after the interests of the divisions of Canada for which they have the responsibility.

During the discussion of the disagreement which naturally will result from the situation which has developed, the main thing to be borne in mind by us and by the gentlemen who are charged with responsibility in each case is this: First there is water sufficient to irrigate 345,000 acres of the finest land on the American continent. I speak as a member for the district and I know. That water is at stake. That water must be saved for generations yet unborn down through thousands of years if it is at all possible.

Let us not permit any subsidiary or minor or secondary consideration to dull our minds with respect to that point. The second major consideration which we must keep an eye on is this. If we are to save that water, if we are to prevent the United States from reclaiming it, for they are all ready to do so, we

must construct the various factors of that project with the utmost promptitude. There must be no delay whatsoever either on our part or on the part of any of the people charged with that responsibility.

The third thing to bear in mind is that the national value of the Lethbridge southeast water conservation project is such that it will justify the expenditure of all the money which is necessary to build the project by the federal government. Consequently no matter how much it entails—it may go over $25 million—every portion of this dominion should be fully aware that the money would be well spent and would be more than repaid, perhaps within twenty-five years, by the added wealth and production.

There are a good many people in the Dominion of Canada, especially those from Manitoba east, who are not in a position to be able to judge satisfactorily the value of this project as we are who come from the west and who know the conditions, especially those which obtain in what is known as the Palliser triangle. I think it would be doing a service for those hon. members if I were to put on *Hansard*, if I can have time to do so, the report of a committee which was appointed by the Engineering Institute of Canada. The document is called "Report of the Committee on Western Water Problems". The gentlemen who constituted that committee would all be Montreal men or easterners who would certainly look upon that project with critical and appraising eyes. With your permission, Mr. Chairman, I shall read into the record from the report of this committee, which I think hon. members will be glad to be able to read. It gives a fine scientific summary of the whole case of the St. Mary and Milk river project as to facts, and suggestions based upon those facts, by a committee of men admirably fitted for the task they undertook.

Introductory to the report is this:

In 1935 the council of the institute appointed a committee under the chairmanship of G. A. Gaherty—

Whose name is familiar to, and much admired by, all hon. members.

—to study the problem of water distribution in the drought area of the western provinces. Subsequently a subcommittee was appointed and between these two bodies a great volume of work has been accomplished. At the annual meeting in Ottawa in 1939 eight papers were presented on this subject as part of the work of the committee. Herewith is the complete report which was presented to council on January 18, 1941.

I am not going to read the complete report, Mr. Chairman; I am going to read merely those parts which will be of particular interest to hon. members, and anyone who desires to have the original report may come and get it from me. I shall gladly let him read it. I read from the report of the subcommittee:

Your committee submits:

1. That the St. Mary and Milk rivers are international, that their waters are now partially used and can be fully used, beneficially, mainly for irrigation, but also, to some extent, for domestic and other purposes, by Canada and the United States together.

2. That the division of the waters between the two countries is governed by a treaty between Great Britain and the United States, dated January 11, 1909, and under the supervision of a permanent authority, the international joint commission.

3. That the international joint commission, after holding hearings over a period of about six years, made rulings under date of October 4, 1921, as to the methods of determining the allotment to each country, and on October 6, 1921, made certain recommendations regarding provision of storage reservoirs.

4. That either country may, for good and sufficient cause, ask for a reopening of the matter and request modification of the regulations in its interest.

5. That since October 4, 1921, the waters have been divided between the two countries in accordance with the rulings, but that there has been no joint action with regard to storage.

6. That Canada's share of the waters of the two rivers allotted to her under the terms of the treaty as interpreted by the regulations of the commission has averaged since 1922 about 393,000 acre-feet annually.

7. That Canada has been diverting and putting to beneficial use since 1935 an average of about 172,000 acre-feet annually, from the natural unregulated flow of the St. Mary river and not more than 2,000 acre-feet annually from Milk river.

8. That Canada's share, still unused, amounts to an average of about 220,000 acre-feet annually.

9. That the government of the United States has been and is proceeding diligently to use its share of the water of the two rivers. That works now constructed, in progress or contemplated are adequate to put to beneficial use all of its share and more.

10. That the general principle governing the right to the use of water for irrigation and other uses, in arid and semi-arid areas, is its application to beneficial use.

11. That, as a consequence, Canada, if she fails to exercise due diligence in putting her share to beneficial use, stands in danger of losing, in perpetuity, valuable rights allotted to her under the terms of the treaty.

12. That there is an economically sound method of beneficially utilizing Canada's share of these international waters.

13. That this utilization will create taxable wealth and a flow of trade far in excess of the cost.

14. That the utilization of this water in irrigating available lands will bring about an extension of intensive agriculture into one of the worst drought areas, a very desirable contribution to full national and provincial development, and a very substantial contribution to the solution of the perennial problems of drought, crop failure and relief costs.

With respect to the specific problems of water utilization, your committee finds:

1. That it is economically desirable to associate the full development of the St. Mary river and the Milk river with plans for their common development with the waters of the Belly and Waterton rivers.

2. That it is quite feasible and relatively simple to carry the available waters of the Belly and Waterton rivers into the St. Mary river at a point between Cardston and Spring Coulee.

That is right where the St. Mary dam now is.

3. That it is feasible to create a storage reservoir of approximately 270,000 acre-feet capacity on the main channel of St. Mary river near Spring Coulee and below the point of inflow of the water diverted from the Belly and Waterton rivers.

4. That the proposed reservoir is ideally situated in that it will control the entire annual flow of St. Mary river below any important tributary, and that, together with the diverting works, canals and auxiliary reservoirs, it can conserve for beneficial use all of the available water of these three rivers, an estimated average of 760,000 acre-feet annually.

5. That after allowing for 210,000 acre-feet for lands already having irrigation rights, this amount of water will be sufficient to serve an additional area of 345,000 acres.

6. That there is an area of tributary land suitable for irrigation and intensive agricultural development very substantially in excess of the above area, which has been designated as the Lethbridge South East Project.

7. That the proposed development is economically feasible and is definitely related to national provincial and local growth and self-sufficiency.

8. That climatic and soil conditions of the areas available for irrigation development are similar to those of the Lethbridge area. That crops that it is known can be grown to advantage under irrigation include alfalfa and other forage crops, sugar beets, potatoes, vegetables, and some fruits and coarse grains (as well as wheat), all of which lend themselves to building up intensive agricultural production and are important adjuncts to the livestock industry on adjacent grazing lands, as is so well exemplified in the present irrigated areas around Lethbridge and in other irrigated areas of the semi-arid region.

9. That there will be some important structures of large—but by no means unprecedented—size, and that the very considerable investigations already made indicate that there will be no serious foundation or other construction problems.

10. That the completed project will cost about $12,000,000—

Of course hon. members realize that that was a 1939 figure. It would probably be twice that much, or probably more, today—

—or not more than $40 per acre of irrigable land. That it lends itself to an orderly step-by-step development over a period of years. That its construction, in considerable measure, will lessen relief costs during the construction period and will thereafter result in the transfer of many farmers in the drought area from relief rolls to self-supporting, wealth-producing agriculturists.

Your committee recommends that the Council of Engineering Institute of Canada should, through the proper channels, suggest:

1. That the dominion and provincial governments, in co-operation, approve the development of the Lethbridge South East Project and constitute an agency for carrying out such development. That funds be made available for an early start on construction in accordance with a plan for orderly progress over a suitable period.

2. That an agency charged with development should, before final decisions are made with respect to important engineering structures and system layout, appoint an advisory board of engineers and at least one geologist to report on sites, foundations and designs.

3. That the same or another advisory board of engineers and economists be appointed to report on the joint engineering and economic aspects of the project.

[Mr. Blackmore.]

4. That in the interest of allocating unused water to the best advantage, the province of Alberta set up an advisory board to study this matter and advise the government. That pending the results of such procedure, action on applications for allotment of unappropriated water be deferred as far as possible.

I think that is sufficient to give hon. members from eastern Canada a chance to appraise this project satisfactorily. I thought it would be a good thing to put these quotations on the record, as support for the Minister of Agriculture. I fancy that the minister's lot constitutes no bed of roses, when he endeavours to get financial support for these irrigation schemes. He will require all the support he can get. I can think of no document I have come across which will give that support more effectively than this one I have just read.

To hon. members I wish to express appreciation of the committee for listening so courteously to me while I have given this outline. May I once more urge that throughout all the, what one might call, human bickerings which might go on between the Alberta and the federal governments, while they are struggling to protect the interests of the bodies to whom they are responsible, we shall all keep our eyes on the ball; and the ball is, first of all, that there is enough water to irrigate 345,000 acres of the finest land to be found on the continent of America. That water will keep on for hundreds of years, for the benefit of Canadians yet unborn. If we lose that water we lose a priceless heritage for those same generations yet unborn.

We must also keep in mind, while we struggle, that we have no time to waste, and that this project must be proceeded with, with the utmost promptitude. No matter what this project may cost to build—and it will not be unduly unreasonable—we shall find, I am sure, within twenty-five years, that the added wealth which will come to Canada through the building up of this project will more than repay us in revenue over and above the expenditures we shall have to lay out to build the project.

Mr. Gardiner: First of all, I wish to express my appreciation of the manner in which this question has been discussed by the hon. member for Lethbridge, in whose constituency the St. Mary dam is situated, as well as much of the area concerned with irrigation.

Along with that statement I wish to say that I have met members of the Alberta government, both in Ottawa and in Edmonton, on at least half a dozen occasions when we discussed the different projects we have been discussing here for the last two sittings. There never was a disagreeable word passed between the group that I headed at the time we met and the group that was usually

headed either by the premier of Alberta—whether it was Mr. Aberhart or Mr. Manning—or by Mr. Tanner or one of the other ministers.

Our discussions were always in the same spirit as that in which this report was written. As was indicated by the hon. member for Lethbridge, this report was compiled by three men, one of whom, Mr. Meek, was named by the Minister of Mines and Resources; another, Mr. Spence, who was named by the Minister of Agriculture with the consent of the government; and a third, Mr. Hunter, who was named by the Minister of Finance. Those three men were appointed in 1941 when the war was on and they reported in 1942.

That report has been reviewed in full by the hon. member for Lethbridge and I am not going to again put on *Hansard* the findings which he has already placed there. However, I should like to emphasize one or two of the things that were said. It was stated clearly in the preamble to their recommendations that the responsibility was and always has been considered to be a provincial responsibility.

Mr. Thatcher: Is the minister saying that?

Mr. Gardiner: I have always said that, and that is what is said in this report.

Mr. Thatcher: Is that what the minister said last night?

Mr. Gardiner: I said that last night. My hon. friend is demonstrating that he has not really read my speech of last night. I do not want to have to read it over to him again in order that he may understand. I read part of it this afternoon which I think convinced him that he was wrong in his interpretation of it.

Anyone who has been dealing with this question has taken for granted that the responsibility for irrigation rests with the provinces. The report goes on to say that some of that responsibility has been passed on by the province to the municipalities and that some of the obligations will probably be a municipal responsibility. Then they go on to say that if it is a municipal responsibility, as between the dominion and the province it is a provincial responsibility. They make that very clear.

After having gone into that, or while going into that, they state that there must be some division of the cost as between the dominion and the province if this plan of conserving water in the prairie provinces—particularly in southern Alberta in so far as this is concerned—is to be carried out. They say that it can be done only if the dominion assumes that it has some obligation because of the benefits to be received from the project. Then they go on to say:

> The committee further suggests that a reasonable basis for division of costs may be as follows:

Then they enumerate (a), (b), (c), (d), (e) and (f), which were read out this afternoon by the hon. member for Lethbridge. Then follows a note:

> Based on the foregoing, the following tabulation gives a division of the estimated costs for the total development extending over a period of fourteen years:

Then they enumerate under "capital account", main reservoirs, connecting canals, supplementary reservoirs, main irrigation canals, distribution systems and power plants. Then to that total construction cost is added the cost of land preparation of $3 per acre. The total capital cost is given as $13,749,000, the division of that being $7,192,000 for the dominion and $6,556,000 for the province. In setting up a table of that kind that is about as near as you could get to a fifty-fifty division between the two.

Then under "revenue account" they show estimated operation and maintenance deficit during development period, colonization and agricultural services. Those are considered to be a provincial responsibility. I do not know whether we would agree that those are all a provincial responsibility, but that is what the views of this committee were at that time. When you add those up the dominion's share is still $7,192,000 but the province's share is $7,985,000.

They show the cost per acre to the dominion as $20.85 and the cost to the province as $23.14. In other words the cost to the province is a little higher per acre under the table as set out. The total cost per acre is shown as $43.99.

The next statement is most important, and it reads:

> The total estimated cost of $15,178,435 is based on pre-war conditions as mentioned elsewhere in the report. These estimates should be reviewed as related to the unit costs prevailing when construction may be undertaken.

The division of cost is set out on a fifty-fifty basis in order to indicate the division of responsibility that might be assumed, but they said that the construction was not going to take place because we were at war but that at the end of the war or some time after the end of the war the construction would be started. They indicate that before construction is started some review ought to be made of the conditions that then exist, and they go on to say:

> The proportion of costs to be repaid by the farmer is, as previously indicated, a provincial matter, and no further comment by the committee would seem necessary, except to point out that the

province may recover a considerable portion of its share of the costs. Without attempting to apportion the amount to be repaid by the farmer, a division by percentage is as follows:

		per cent
Dominion share (non-reimbursable)	$7,192,449	47·4
Provincial share (subject to such reimbursements as the province may collect from the farmer)....	7,985,986	52·6

Mr. Diefenbaker: What is the date of that report?

Mr. Gardiner: The date is 1942. I do not believe that the committee assumed that anyone was going to be held to the absolute percentages that were indicated. But I happen to know, from discussions which I had with the committee at the time, that what they were attempting to do was to allot the costs fifty-fifty between the province and the dominion, and then to say to the province that if their revenues would not permit them to pay the full amount some arrangement should be made to collect some of it from the farmers who are going to get the direct benefit.

That was the intention of the report. It is the report. When I was dealing with those figures I should have said that none of the engineering costs are included in them. The federal government has paid the engineering costs. They are over $2 million. You can add a figure of over $2 million, which has already been expended in connection with these projects, to the total cost at the end, and you will find that the dominion's share would then be something over 50 per cent even if you follow these tables.

All that has been suggested by the federal government is that we should follow the recommendation of the Meek report and that, on the basis of present conditions, we should revalue the requirements necessary to carry out the project, which is a much bigger thing than just the development of the St. Mary dam and the waters that will be available from the St. Mary dam. What I maintained last night was that in discussions since the report was made it had been agreed between ourselves and the Alberta government that at some time or other—and the agreement was made while we were still under conditions where it was impossible to have construction because of war—we were going to sit down and agree on a division which would be based in principle upon what has been said in the report. We have had a table made up which shows that if you were to follow exactly what is indicated in the report, that is, if you were to follow the exact reservoirs which they say are federal or which they suggest might be federal, under present conditions, and divided up the same way, the cost to the dominion would be $15,143,000, and the provincial cost would be $9,254,000. Then in addition to that we would have $2 million for engineering costs on top of our share.

All we have said is, in view of the fact a table was set up which suggested a certain division on the ground that division at the time might result in about a fifty-fifty apportionment of the cost, and in view of the changes that have taken place as a result of the fact that we had four years of war since the report was made and we have had new conditions resulting from the war, that when we sit down to reconsider the position this is a basis from which we might start. Our objective would be to get it as close as possible to a fifty-fifty basis with the same conditions placed upon it as the commission recommended, namely, that some of the money could be collected from the farmers, but that none of that money so collected would accrue to the federal government. Anything that might be collected would accrue to the provincial government.

All we say about that is that we want to know what that collection is going to be in order that we may be satisfied, before we put $15 million into a project, that the farmers are going to be able to live on the land and finance themselves after that collection is made. No other suggestion has been made. Some people think that we have been a long time getting together. The present position is that we have been discussing proposals made by the province and they have been considering proposals made by us. We think we are pretty close to the time when we can reach an agreement. I have been a little concerned, as well as the hon. member for Lethbridge, that in our discussions we should not get into a position where misunderstandings might be created where there are none now, and where there have not been any.

As a matter of fact the government of Alberta have always acknowledged, in any discussions I have had with them, that irrigation is a provincial responsibility. They have never questioned it, but they have said that no matter how much it is a provincial responsibility there is no way they can raise all the money that is necessary in order to take care of the cost, which at the time the Meek report was made was $43 an acre for land, and which today at present rates is $70 an acre for land. The province naturally says that even if it were their responsibility, and if the federal government were to say that they would not assume any obligation in connection with it, they just could not go on with the project at all.

We understand that, and all that has been suggested up to the moment is that we follow the same principle that was recommended in

the Meek report and try to find some division of responsibility which will result in a fifty-fifty apportionment of cost, part of the provincial share of which can be collected from the farmers. I do not think we will have any insurmountable obstacles to overcome, and for the benefit of the hon. member for Moose Jaw may I say that I do not think we will have any insurmountable obstacles to overcome when the same principles are applied to Saskatchewan, or to any of the projects that might be developed in western Canada. I hope that the discussion will at least have thrown some light on the matter.

Mr. Thatcher: On that point, the minister said that he did not anticipate any difficulties when he got to Saskatchewan. He said this afternoon and just now that the federal government assumes the cost of the dam, but the point I cannot get clear—and I am sorry if I am dense about it—is what he meant last night when he said at page 772 of *Hansard*:

> . . . I think there is a good argument for saying that they—
>
> The provincial government of Saskatchewan.
>
> —can pay $3 million or $4 million a year in order to have this irrigation project carried out in that period of time.

In the preceding paragraph he said that the project would take ten years. Therefore that would mean that the Saskatchewan government would have to pay $30 million or $40 million as their share. If the minister did not mean that was their share of the dam, does he mean to say that the provincial government would have to pay $30 million or $40 million for subsidiary pipe lines and things of that kind? I wish he would clarify that point. I would feel very much better if I could have it clarified.

Mr. Diefenbaker: I should like to ask the minister one other question, and he can answer both at the same time. I thought the matter had all been cleared up and that there was no doubt about it. Now I read what the minister said yesterday, and I heard what he said today. I should like to ask a very simple question which will clear up the whole matter as far as I am concerned. Will the construction of the dam at Elbow, or whatever place is determined upon on the south Saskatchewan, be gone ahead with irrespective of whether the province of Saskatchewan agrees to pay 50 per cent, or whatever percentage may be determined, of the anticipated irrigation costs?

Mr. Gardiner: As has been explained to the committee on many occasions, the position is that on the St. Mary river the dominion government undertook to build the dam. There was only one real reason why we gave that undertaking at the time. We were in the middle of a war; and we had been notified that unless we started to utilize the water of the St. Mary river it would be taken by the Americans as a matter of right.

Mr. Diefenbaker: For power?

Mr. Gardiner: Power, irrigation or anything they wanted to use it for. We said we were not in a position to sit down and discuss the recommendations contained in this report or any other recommendations and decide upon an agreement of the kind suggested there. They said they would not be going ahead with their project in wartime, so we felt that some time after the war we should sit down with the provincial authorities and decide when to go ahead with it, and that when we did so the whole matter should be considered in the light of the conditions then existing. This is only a suggestion made by the committee in regard to a division of the cost. We had said already that we were going to build the St. Mary dam, war or no war; that we were going to get on with the job as fast as we could. It so happened that the contracts were not let until 1946. There was a good deal of engineering work to be done, but we got at it as soon as possible after the war, and we then announced as government policy that in any of the larger irrigation projects in which we took part we would at least build the dams necessary for the storage of water in order to make irrigation a possibility. But we also said that anything beyond that was a provincial responsibility.

Mr. Diefenbaker: Where was that said?

Mr. Gardiner: It has been said a thousand times. It was said here tonight when another hon. gentleman was trying to suggest that back in 1947, I think it was, I had said something different to what I said last night.

Mr. Thatcher: If I may interrupt, would the minister clarify what he said last night to the effect that the provincial government would have three or four million dollars—

Mr. Gardiner: Don't hurry me; I am coming to that. I am answering my hon. friend across the way first, but I will get around to you soon. The position taken then was that there would be no question about the main storage dam to provide water so that irrigation could be carried on. Whenever it was determined that a project was to be proceeded with, we would build the dam. As applied to the south Saskatchewan, this means that once the government undertakes to proceed with that project the dam in the south Saskatchewan river, whatever it costs, will be built and paid for

by the dominion government. In the order in council which was passed—and which was read to this house after it was passed—and which has been accepted by all three prairie provinces as the basis of their policy, it is clearly stated that before the dominion government will proceed with the building of any dam the province must first give us assurances that they are going to use the water and then must tell us how they are going to use it. I am quite sure the hon. member for Lake Centre and the hon. member for Moose Jaw will recall that last spring the government of Saskatchewan not only signed the agreement under the order in council but made a lengthy announcement to the public to the effect that they would be prepared to utilize the water.

Well, that is the basis of the whole thing. When we come to decide what the province is to pay and what the federal government is to pay, no doubt we will figure the cost of constructing the dam on any of these projects, and then we will discuss with the province the amount of money it can put up in order to assist in completing the whole project. That is the way we are discussing with the city of Regina and the provincial government at the present time the amount of money that each body ought to put up in order to bring water to Regina. The suggestion has been made that the city might put up one-third and the province one-third, and that the dominion might consider putting up an amount which would work out at not more than one-third. That may be the position we will be in when we construct the dam on the south Saskatchewan. I do not know whether the dam is going to cost $66 million. That was not the estimate at the time negotiations were commenced. At that time the estimate was that the whole project would cost $66 million.

Mr. Thatcher: I am sure the minister would like to answer my question.

Mr. Gardiner: I am just coming to it now. If you will contain yourself in patience you may get on the record something you will understand when you read it.

Mr. Thatcher: Well, I hope so.

Mr. Gardiner: The estimate of the cost of the whole project at the time it was first discussed was some $66 million.

Mr. Diefenbaker: Was that just for power?

Mr. Gardiner: No; that included the dam and other works that would be necessary to put the water in a position where it could be utilized. Later it was estimated that the cost would be much greater. As a matter of fact I would not be at all surprised if by the time we are through with it the whole project cost more than $100 million. When we speak about the dam costing a certain amount, we are speaking of what the dominion government is prepared to do; but we must have some assurance that the province is going to at least assist in paying the additional cost, before putting in the dam and making provision for power facilities and irrigation possibilities which may never be utilized. I can say to this committee, what will be obvious, that if we built the St. Mary dam and the water was not utilized, there would not be a vote put through this house for a long time to build another dam. This house is not going to pass a vote running up to five, six, seven or eight million dollars to put in a dam and then find that the authorities which should utilize the water for power and irrigation have not done so. That would be even more true if we started with the Saskatchewan river dam, which would be the most expensive of all, and put fifty or sixty million dollars into the project and then found it merely standing there providing a lake 145 miles long and 200 feet deep at the dam. It would be a nice thing to look at, and perhaps we could sail our boats on it occasionally, but it would not serve the purpose for which the people of this country put up the money. So we must have assurances from somebody that the organization will be set up to utilize the water, and that they are going to contribute a share of the cost sufficient to ensure that they will take some responsibility for seeing that the work is carried on.

The hon. member for Moose Jaw asked how I figured that the province might pay the amount he mentioned. Well, I still say that the province of Saskatchewan as I know it—and I think I know it as well as any person does—can raise three or four or five million dollars a year to put into a project which, if it is carried through to a successful conclusion, will bring in more revenue than any other project that could be undertaken in that province. I did not say that they could raise $50 million or $60 million in a year, but they could raise $50 million or $60 million to complete that work over a considerable period. I noticed in some of the estimates for highway undertakings the government is prepared to spend some $17 million in order to see that people can move about in the province of Saskatchewan. I have no doubt that any government in Saskatchewan would take the responsibility for seeing to it that a project which promised to give industry and agriculture greater possibilities for production, as the south Saskatchewan project would do, would not hesitate to obligate themselves for a considerable part

of the cost of putting in this plant. This is particularly true when that government would be able to charge back approximately 25 per cent of the total cost to the farmer, or whatever it works out to be when the whole project is finally concluded. I hope I have answered the question that was in my friend's mind.

Mr. Thatcher: The minister has been very general in his remarks. I still would like a specific answer.

Mr. Gardiner: I am going to give you a specific answer in so far as the south Saskatchewan project is concerned. We will expect the government of Saskatchewan, plus the farmers who are going to be interested in it, to pay about half the cost.

Mr. Thatcher: You calculate this $30 million or $40 million would be the subsidiary cost, not the cost of the dam?

Mr. Gardiner: No one knows just what that is. As a matter of fact, the $2 million the government is spending now is to find that out.

Mr. Thatcher: Last night the minister stated it would take ten years to complete the project and the province's share would possibly be $3 million or $4 million per year which would be a total of $30 million or $40 million. If the federal government has to pay a certain amount, I am taking it from your suggestion that the subsidiary amount would be $60 million or $70 million in addition to the cost of the dam. I should like to know on what you base those figures.

Mr. Gardiner: If the plan is carried out to the extent it is being advocated, it will cost well over $100 million.

Mr. Thatcher: For the dam or the subsidiary costs?

Mr. Gardiner: No, the whole program of putting water on the land and putting in power facilities. The whole thing will cost well over $100 million.

Mr. Thatcher: But how much will the subsidiary costs be?

Mr. Gardiner: The government's position in the discussions is that we start from the point that we think the provinces, plus those who are going to benefit by the project, should pay about fifty per cent of the cost. I am not saying the discussions will finish on that note. The government will try to do the reasonable thing. All the time we are trying to do that, we will not have in mind the government of the province of Saskatchewan as such, nor the government of the Dominion of Canada as such. We will have concluded that the Dominion of Canada believes this is a worth-while national project and is, therefore, prepared to put some money into it. We will have concluded that the provincial government believes it is a worthwhile provincial project and will be prepared to put some money into it. The chief concern in all our negotiations is that the farmer does not have to pay any more than it is possible for him to pay and still live in ordinary comfort upon the land he is going to occupy.

In other words, those considering irrigation projects, either in the United States or this country, know that farm land cannot carry the cost of putting in irrigation. The same is true of farm land in the maritime provinces. It cannot pay the cost of putting dikes around marshlands. The land just will not bear that cost, so it has to be a proposition that is large enough and important enough to the nation. It is important because thousands of people can live where nobody can live now—at least, if they do try to live there, they live under conditions under which no government would want to see its people living. It is our belief that the national expenditure and the provincial expenditure should be such that, when the job is complete, these farmers can live there under the conditions that most people who are talking about social services and other things are hoping all people will be able to live under.

I have stated our objective. I do not know of any way in which I could be nailed down. Even if I were, it would not make any difference because I shall not be here long enough to carry out the whole project. I am simply laying down the principle that is in the mind of the government, and in my own mind as minister. It is our desire to make it possible for thousands of people to live on lands that today are not occupied. Those lands are some of the best in the Dominion of Canada; all they need is water. We believe we can put water on them. In helping to do that, we expect to spend sufficient money to make it possible for the provincial government to continue to give the services to the people that should be given and for the farmer to be able to live on the land under conditions that we all wish to see him living under.

Mr. Thatcher: The minister still has not answered my question. Perhaps I have not been clear enough.

Mr. Gardiner: May I ask the hon. member a question? At what price are you going to sell boots and shoes five years from now?

Mr. Thatcher: I do not sell them.

Mr. Gardiner: At what price are you going to sell stoves five years from now?

Mr. Thatcher: I think I am being reasonable in this request. I am only asking for some information for the people of Saskatchewan. Last night the minister said this, as reported at page 772 of *Hansard*—

Mr. Gardiner: All you have to do is look at the last election returns and you will know that the people of Saskatchewan understand me very well.

Mr. Thatcher: At page 772 of *Hansard* the minister said:

> But it would be absolutely impossible to construct the south Saskatchewan river project in less than ten years.

I agree with him. At another point on that page he says:

> If the government of Saskatchewan can raise $20 million more, I think there is a good argument for saying that they can pay $3 million or $4 million a year in order to have this irrigation project carried out in that period of time.

If I can take the minister's words literally, that means the province of Saskatchewan may have to pay $30 million or $40 million towards this project, but not for the main dam. All I want the minister to tell me is what the subsidiary expenses are that would amount to $60 million or $80 million including the two shares.

Mr. Gardiner: There is six hundred thousand acres of land to which you have to distribute water, and some of that water has to be pumped. Some of this land has to be levelled; not all of it, but some of it. There is a dam on the Qu'Appelle river which will be 75 feet high, and that will be in addition to the one we are talking about on the south Saskatchewan river. There are works that would have to be put in order to make it possible to develop power from the dam. There are many other works as well. It is well understood that when you have built the dam you have only started to carry out an irrigation project.

Mr. Thatcher: The minister would not say he was guessing last night?

Mr. Gardiner: I would say this: neither my hon. friend nor anyone else knows exactly what the costs are going to be, so there has to be a certain amount of guessing. I was not guessing when I said any government in the province of Saskatchewan could pay $3 million or $4 million a year towards the project.

Mr. Diefenbaker: I believe every member from the province of Saskatchewan as well as Alberta will have listened with interest to the statement the Minister of Agriculture has just made. He said, "I do not know any way in which I can be nailed down." When he said that, I was reminded of—

Mr. Cruickshank: Of the 27th of June.

Mr. Diefenbaker: —a statement made some years ago in the British House of Commons by Lloyd George in regard to de Valera. He said trying to pin him down was like "trying to pick up mercury with a fork." After listening to the cross-examination of the member for Moose Jaw (Mr. Thatcher) and how well the minister kept away from answering the simple questions that were asked, Lloyd George's remarks appear applicable.

The people of Saskatchewan will be most deeply disappointed by the statement made this evening by the minister. I say that because over the years—it goes back to 1946—the minister has consistently brought before the people of Saskatchewan the promise of a new hope for them through the development of power on the south Saskatchewan power project. The resultant industrialization of Saskatchewan would assure the maintenance of the population of that province. His promise caused him to receive large and generous support for his party during the last federal election.

As I listened to him, I could not conceive that the minister who was speaking in this house was the minister upon whom the people of Saskatchewan have placed such reliance. I am not going to quote the promises—I have them here—but I am going to quote the reaction of the Saskatchewan press to them. It is not the C.C.F. press to which he referred yesterday in answer to the hon. member for Moose Jaw. The press that supported the government in Saskatchewan cannot but be disappointed by his statement this evening.

Mr. Warren: They did not elect many Tories.

Mr. Diefenbaker: I was not discussing the matter in that light. I am quoting from the Liberal press now, and I can refer to chapter and verse. Through you, Mr. Chairman, I ask the minister this question. In Saskatchewan, when speaking to the organization set up in the province to provide irrigation and water supply for the city of Moose Jaw and the city of Regina, did he ever say that only if the provincial government were prepared to provide 50 per cent, or a proportion close to 50 per cent of the cost of irrigation, the dam would be proceeded with? When did he ever say that unless that were done the dam would not be proceeded with?

Mr. Gardiner: Would the hon. member like that answered now?

Mr. Diefenbaker: Yes.

Mr. Gardiner: The hon. member for Regina City, and any others who are here who have

been following the discussion of this question, will recall that a meeting was called in the city of Regina in either 1946 or 1947—I have not the exact date in mind—in order to form the association which is promoting the irrigation of land in Saskatchewan, particularly as related to the dam in the south Saskatchewan river. On that occasion I was asked to be the main speaker. They set up their organization. They appointed their president and their committee, and they asked me to speak to them.

Mr. Diefenbaker: Where was that speech made?

Mr. Gardiner: In Regina, in the Saskatchewan hotel, at a banquet which was attended by two or three hundred of the promoters of the scheme. On that occasion I called their attention to the fact that we had built two dams south of Swift Current, and that the water in those dams was not being utilized to the extent that had been suggested by those who were going to be served by it. I pointed out that it was the responsibility of the provincial government and of the local authorities to utilize that water, and indicated to them that unless they did there was not much possibility of their ever persuading the federal government to build other larger works which would cost much more money. I used this term in describing it. I said: "These dams will be pointed to in a very short time as white elephants created at the expense of all the people of Canada; they are not being utilized, and I think you should get busy and utilize them." As a result of that there was very considerable activity and the water is being utilized, and the provincial government has taken its share of the responsibility in seeing that it was done, and so have the municipalities.

Mr. Diefenbaker: That answer again deals with these two small dams.

Mr. Gardiner: It dealt with the big one, too. That is what we were talking about.

Mr. Diefenbaker: It does not deal with the south Saskatchewan dam project. That is what I am dealing with. No doubt the minister did say that certain small dams—

Mr. Gardiner: That meeting was held for the purpose of discussing the south Saskatchewan dam. I told them that, before they started asking us to put in another dam, they had better start utilizing the water in the dams they had.

Mr. Diefenbaker: I hold in my hand several speeches delivered by my hon. friend. I say that when he spoke in the city of Regina he spoke of the necessity for the utilization of the waters of two small dams.

Mr. Gardiner: When?

Mr. Diefenbaker: In Saskatchewan, at no time has he ever publicly said that this dam would be held up. When I say "this dam" I refer to the south Saskatchewan river dam. At no time did he ever publicly say that this dam would be held up unless the provincial government would contribute to the irrigation.

Mr. Gardiner: That is exactly what I was talking about. That is exactly what I was invited to talk about. What I was talking about was the south Saskatchewan dam.

Mr. Diefenbaker: It is a strange thing, Mr. Chairman, that no newspaper in Saskatchewan took that meaning from anything that the minister said.

Mr. Gardiner: I can get the newspaper tomorrow morning.

Mr. McCusker: On a point of privilege, Mr. Chairman, I was present at that meeting, and I can verify every word that the minister has said.

Mr. Diefenbaker: All I have to say is this—

[*Inaudible interruption.*]

Mr. Diefenbaker: I would ask the hon. member who has just interrupted to rise in his place. I cannot understand these interruptions that come from wherever the hon. member hides himself. I am trying to discuss a matter that is of interest to every person in Saskatchewan. The Saskatoon *Star-Phoenix* is a supporter of the government. On July 15, 1947, after the Minister of Agriculture had spoken, the Saskatoon *Star-Phoenix* pointed out the situation with regard to this project in these words:

> It will be two years before construction work can begin on the south Saskatchewan river dam. But it is not too early to begin exploring the problem of how costs can be met. The prairie farm rehabilitation report has estimated the cost of the dam and "appurtenant works" at $66,360,000. In the whole range of possible reconstruction works in Canada, the only undertaking that may exceed this in national importance would be the St. Lawrence seaway. The south Saskatchewan development will yield national benefits and it must be carried out as a national undertaking. It is not, of course, a relief project or anything of the kind. It is a project to bring a mighty river under control, to divert to fruitful use its swift volume of water (of which almost no use has been made in the 70 years that settlers have lived along its banks), to stabilize the livelihood of a million people on the plains and to make economic living space for as many more, and finally to expand the commerce that flows between the west and the east in Canada. A hundred million dollars expended in this project would return itself many times over in a few years.
>
> That the south Saskatchewan project will be carried out, let no one doubt. Mr. Gardiner has committed the present government to the undertaking, according to a report of his speech at Lethbridge the other day. The funds for the project

must come from the nation's credit. The main problem is to get the parliament of Canada to approve the expenditure of $66,360,000.

Mr. Gardiner: On a $100 million project.

Mr. Diefenbaker: It said that it must be a national project. I come to the speeches my right hon. friend made just a year ago,—the first on October 16, 1948, during the by-election in Rosthern.

I asked the minister a few moments ago whether, in the event that the province would not supply the necessary money for this irrigation project, the dam would be gone ahead with as a power project—in other words, to provide for industrialization.

Mr. Gardiner: You are asking a hypothetical question which will not happen. But Saskatchewan will have a government which will assist.

Mr. Diefenbaker: Oh, but that was not the view last year, as I shall read.

Mr. Gardiner: It might even be a government under your new leader you have just come back from choosing.

Mr. Diefenbaker: It is all very well for the minister to say that. If promises had been made by us they would have been carried out; and when the minister makes a promise the people take him at his word.

Mr. Gardiner: That is because for thirty-five years I have always carried out any promises I made.

Mr. Diefenbaker: Then I am asking the minister now to continue what he says has been his practice for thirty-five years. That is the very reason I am bringing this to his attention—and by his interruptions he is not diverting me from reading his promises.

I take this from the Saskatoon *Star-Phoenix:*

Great Industrial Development Seen if Big Dam Built

Unexpected industrial development would follow construction of the proposed Outlook dam, Right Hon. J. G. Gardiner told the annual meeting of the Saskatoon Liberal Association, Thursday night. The federal agricultural minister predicted that the dam would furnish electric power for a wide farming area as well as providing irrigation for many acres. It would mean a changing economy for this sector of the province, he said.

Under the heading "His Main Job" the article continues:

Mr. Gardiner said his main task in the commons—as well as that of W. A. Boucher, if elected, in the Rosthern by-election—would be to "push the building of the dam as much as possible." . . . "The time has come when we must put great emphasis on the development of this country," Mr. Gardiner declared.

[Mr. Diefenbaker.]

And then a little later, on October 22, 1948, we find this in the Saskatoon *Star-Phoenix*:

The fact that two federal cabinet ministers have expressed a favourable attitude toward the south Saskatchewan river irrigation and power project in the Rosthern by-election campaign has contributed to make this one of the main campaign issues, Walter Tucker, Saskatchewan Liberal leader, declared at a public meeting here Thursday night.

Mr. Tucker said that it is "now up to the people of Rosthern to give their endorsement by electing William A. Boucher, Liberal candidate—

Some hon. Members: Hear, hear.

Mr. Cruickshank: A good man. They elected him, too.

Mr. Diefenbaker: Yes, they did. It continues:

—if they want the project proceeded with."

You may applaud that.

He added, "You certainly won't get anywhere by sending C.C.F.'ers to Ottawa; the election of Makaroff would be tantamount to repudiation of the great scheme."

"We have now reached the stage where public opinion will have to be mobilized behind the project to help obtain the passage through parliament of the necessary funds." Mr. Tucker continued, "it is imperative for the people of Rosthern to send Mr. Boucher to Ottawa to help Mr. Gardiner in his fight for it."

Some hon. Members: Hear, hear.

Mr. Wright: You have a cheering section now.

Mr. Gardiner: You ought to read one of your own speeches.

Mr. Diefenbaker: I appreciate the help from all quarters of the house.

Mr. Cruickshank: And you need it, too.

Mr. Diefenbaker: It continues:

The fact that the Hon. Paul Martin, Minister of National Health and Welfare, had shown a favourable attitude toward the project while he participated in the by-election campaign, was construed by Mr. Tucker as evidence that advocates of the project were making headway in winning converts in the east.

Then on October 21, 1948, the Saskatoon *Star-Phoenix* carries the headline "Outlook Dam Would Mean Development of Heavy Industry in West Canada", and states:

Development of irrigation and power on the south Saskatchewan river by means of the Outlook dam would mean industrial and agricultural development of western Canada similar to the Essen country of Germany.

In another report appearing in the Saskatoon *Star-Phoenix* of October 23, 1948, under the heading "Immense Benefits from Dam," it is stated that:

In a speech Right Hon. J. G. Gardiner said, "If this part of the country could be turned into an industrial as well as an agricultural area, it would be possible for it to support twice the population that it does now."

Mr. Gardiner: Did you not say all that, and a lot more, in your speeches?

Mr. Diefenbaker: Surely, I said it. And I am asking for the construction of the dam so that we can industrialize Saskatchewan. That is the reason I am asking for it.

Mr. Cruickshank: You will never be in power to do it; we will be.

Mr. Cleaver: Would the hon. member permit a question from an Ontario member?

Mr. Diefenbaker: Would the hon. member sit down?

Mr. Cleaver: Then I shall ask it when he has finished.

Mr. Diefenbaker: What was the interruption?

An hon. Member: Will he ever get through?

Mr. Cleaver: I had a question to ask, but the hon. member would not answer it. I shall ask it later on.

Mr. Diefenbaker: The article continues:

> Cheap power is the open sesame to industrial growth. With a dam at its back door almost assured, and with the resultant cheap water power available in the not too distant future, Saskatoon stands at the gateway to new and unprecedented development.

I could go on and read further references from the speeches made by my right hon. friend, all of which point out the necessity for power development in our province, with incidental irrigation development. I say to him this, that if we in that province now are to find ourselves in the position where the dam is not to be proceeded with unless the provincial government says that it will spend several million dollars a year to take up 50 per cent or thereabouts of the irrigation costs then, sir—

Mr. Cruickshank: Why shouldn't you?

Mr. Green: Stick to the Fraser valley.

Mr. Diefenbaker: We supported the hon. member last year when he was advocating assistance for the Fraser valley at the time of a national disaster. Saskatchewan is losing population. We have 70,000 less in that province now than we had in 1936. This project represents the hope of the people of that province, and it is for that reason that I defend it in this House of Commons.

Mr. Cruickshank: Mr. Chairman, I think the hon. member is a good friend of mine—a personal friend. He will admit this, that British Columbia paid 25 per cent of the cost of that expenditure.

Mr. Diefenbaker: I do not argue that point at all. But I am arguing this, that so far as a dam is concerned to produce the necessary power to be made available for industrialization, we in the province of Saskatchewan have the right to expect that this project will be proceeded with nationally.

When the minister was answering the hon. member for Moose Jaw I could not believe that he was placing before this committee his considered view that this project, which represents so much to hundreds of thousands of people in our province, is to be placed in a position where its construction, instead of being a national undertaking, is to be an undertaking in part national and in part provincial.

The minister distributed a map when he spoke in Saskatoon, showing the benefits of this project. When he spoke, he raised no question at any time that this project was going to be dependent upon whether or not the water would be actually utilized for irrigation purposes. He placed before the people of Saskatoon, in that address before the board of trade, the benefits which would follow in keeping in Saskatchewan the thousands who are leaving that province.

Mr. Gardiner: My hon. friend should attend some of my meetings because—

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

Mr. Gardiner: My hon. friend should attend some of my meetings because I have never made an address on this subject without calling attention to the fact that the province has some obligation.

Mr. Diefenbaker: The press did not report it?

Mr. Gardiner: They reported it once. Anything that has been said half a dozen times is not news any longer.

Mr. Diefenbaker: They did not report it once.

Mr. Gardiner: They reported it when it was necessary to report it. It was always understood.

Mr. Ferrie: May I ask the hon. member for Lake Centre if at any time in the history of Saskatchewan he went around and said that the minister had let Saskatchewan down?

Mr. Diefenbaker: Mr. Chairman—

Mr. Ferrie: I should like that question answered.

Mr. Diefenbaker: My hon. friend asks a question that has nothing whatever to do with this matter. It is not pertinent, and the kind of question one would expect the hon. gentleman to ask.

An hon. Member: Very smart.

Mr. Diefenbaker: Having said that, may I say that I am surprised at the attitude taken by the Saskatchewan members in opposing my endeavour to get this for Saskatchewan. I am surprised at the attitude they take when I bring this matter before the committee. Each of them said during the campaign that he was in favour of it. Now when I endeavour to impress upon the minister the necessity of something being done if the morale of the people is to be maintained, they oppose my efforts. The people have been looking forward to this. Two years ago the minister said that within two years the government would decide on the location of the dam and the work would proceed at the earliest possible moment. The last time the matter came before the house the minister said that they were going to continue the investigation. There was never a word when the matter came up that this great project was going to be placed in jeopardy because part of the responsibility in regard to irrigation was going to be imposed upon the provincial government. What I am saying this evening, and I shall say no more—

An hon. Member: Hear, hear.

Mr. Diefenbaker: That is the best contribution my hon. friend has ever made. I have requested the minister to join with those hon. members from Saskatchewan who have been interrupting me when I have been making this argument and impressing upon this committee and the country, as it no longer needs to be impressed, that this is a national project, necessary for our province if its population is to be maintained. I shall not enter into an argument as to whether there should be a division of responsibility between the dominion and the province, because then each will endeavour to pass the buck to the other. The people of the province do not want any of that. They are asking that this national work be proceeded with.

During the days of the war hundreds of millions of dollars were spent in other provinces to lay an industrial foundation. We in Saskatchewan got none of that. I thought we were all united in this regardless of party considerations. I thought we all wanted to rebuild our economy to the end that the exodus of our people would be restrained by the industrialization which was pictured in two or three of the minister's addresses when he pointed out that there were great possibilities in the way of power to industrialize the province and change its economy to such an extent that a livelihood would be provided for the many thousands of people who today find it necessary to leave because of drought and climatic conditions.

It is in that spirit that I make this appeal. I am not entering any arguments as to whether it is a provincial or dominion obligation. All I know is that all our people believed that the minister had the authority to make the promise he did when he said that this would be proceeded with without delay. This is not a political matter in the province. All are united in this. The Liberal members to my right were elected in its support. The C.C.F. candidates spoke in favour of it. No one in the province has dared within the last two years to stand up and say that he did not fully support going ahead with this project.

I think hon. members of this committee are willing to give our province assistance in this regard, assistance which will spell an improvement in our economy and above all stop that exodus which is reducing Saskatchewan year by year to a lower and lower position in the population category of the provinces of this dominion. It is in that spirit that I approach this matter. Our people as a whole are going to be intensely disappointed—

Mr. Gardiner: Nobody has said that there is going to be any stoppage.

Mr. Cruickshank: May I ask a question from a non-partisan point of view?

Mr. Diefenbaker: That is why I know the question will be non-political.

Mr. Cruickshank: How many people in Saskatchewan thought on June 27 that the official opposition represented the people of Canada?

Mr. Diefenbaker: On October 27, 1948—

Mr. Cruickshank: June, I said.

Mr. Diefenbaker: On October 27, 1948, the Saskatoon *Star-Phoenix* contained this editorial:

> The Liberal campaign was based in large part on the promotion of the south Saskatchewan river development, the project that offers the quickest bargain in national dividends anywhere in the country and which needs only the approval of the Canadian parliament. . . The Liberal victory represents a decisive endorsation of the south Saskatchewan river development.

Another excerpt from an editorial in the Saskatoon *Star-Phoenix* of October 26, 1948, reads:

> The election was fought on a number of issues; the Liberals seeking endorsement of their agriculture and social security policies and asking support for a large irrigation project on the south Saskatchewan river.

That was the issue a year ago in that by-election. During the federal election no issue was made of that because we all believed that the project was to be proceeded with. I say once more that there is going to be the greatest disappointment in Saskatchewan over the minister's announcement. I have nothing more to say because the government with its majority can determine whether or not this work will be proceeded with.

Mr. Cleaver: Will the hon. member permit a question from an Ontario member? I think the hon. member will concede that there are members in this house other than those from Saskatchewan like himself who are interested in the welfare of Saskatchewan. I listened with a great deal of interest to the plan outlined by the minister whereby the federal government would assume roughly fifty per cent of the total cost of this tremendous project that means so much to Saskatchewan. I learned also that the remaining portion of the cost would be borne by the province and those who would directly benefit, such as the farmers and those who would be using the electric current which would be developed. I suggest to the hon. member for Lake Centre that if he wants to advance the project he will get a lot further with the other members of the house in doing so if he will argue to the point, tell the members of the house what he does not like about the program, and make his own suggestions as to what would be a fair and equitable distribution of the cost. He will get a lot further than by making —and I say this in all sincerity—smart-aleck answers to questions from members who are honestly seeking to get his views.

An hon. Member: What is your question?

Mr. Cleaver: In what way does the hon. member for Lake Centre object to the broad proposals outlined by the minister?

Mr. Diefenbaker: First may I say that I have always noticed in this house a fine spirit of co-operation among members in appreciating the difficulties of other parts of the country. My experience has never been that there is in this country an east working against a west. I often hear that in the west, but I have never found it to exist. There is that spirit that was displayed a moment ago by the hon. member in his very studied, careful and objective remarks. I want to say that I have set forth what the promises were and what the people are asking.

Mr. Cleaver: If I may be permitted, I have listened carefully to the entire speech of the hon. member.

Mr. Green: He does not like it.

Mr. Cleaver: He read some excerpts, but he did not give me any idea of what he thought was unfair about the broad outline given by the minister as to how the cost of this tremendous project is to be borne.

Mr. Green: You had better read it in *Hansard*.

Mr. Laing: I am not going to make any prepared observations. I should like the hon. member for Lake Centre to tell us if it is his view, and the view of the people resident in his province, that the whole cost of the project should come from the consolidated revenues of the Dominion of Canada. I have in mind that some of this type of work is being done in the province of British Columbia. Water is being provided to a certain point, but that water is being collected with one end in view, and that is land use. The water is no good unless you use it and it is being used on land. Certainly our provincial government is going to co-operate with the federal authorities in the distribution of that water at Westbank, and again on the west bench at Penticton in particular. They are certainly going to co-operate with the federal government, and are co-operating right now in respect of the work at Pemberton. I can visualize there is only one source from which the money comes, and that is revenues collected from all parts of Canada. If the people of Saskatchewan are going to take the stand that the people of all parts of Canada must bear 100 per cent of the cost of the project in Saskatchewan, I am afraid you are going to have a difficult time selling that idea to the people of British Columbia.

Mr. Thatcher: Hear, hear.

Mr. Laing: I will deal with my friend in a moment. He is an authority on hardware.

Mr. Cruickshank: Not even on that.

Mr. Laing: And the Regina manifesto, but he is not an authority on soil fertility. I remember that last year $167 million was collected from the province of British Columbia by the federal government. I wonder how much came out of Saskatchewan. If we are going to take these projects on a national basis, as we certainly must, and along the lines outlined by the minister and by the hon. member for Lethbridge, then there is justification for them on the basis that they will keep more people in Canada and produce more wealth which will be distributed all over Canada. That is the only justification for them. It seems to me if the people of a certain province are going to take the stand that they will contribute nothing and that

they want everything from Ottawa, it is in the interests of the Dominion of Canada to know that right now.

Mr. Quelch: Mr. Chairman, I have listened with a great deal of interest to the discussions that have taken place regarding the St. Mary river and south Saskatchewan projects. I realize how important it is that a satisfactory understanding be reached as to the St. Mary river project because the minister has stated that the agreement that is signed for that project will be the pattern for all future contracts. Therefore if we get off on the wrong foot on the first project we will have a problem with the rest.

I want to ask a few questions about the Red Deer irrigation project because that is included in this item. Two reservoirs have been created on Berry creek, and I understand that two more are under construction this year, one further south on Berry creek and one on Sounding creek. I should like to say that the farmers in those areas appreciate very much the fact that the government has constructed those dams. On the other hand, they also realize the fact that these reservoirs are absolutely dependent upon surface runoff of water for their supply. Consequently in years when there is no runoff there will be no water available for irrigation. For example, take the dam that was constructed last year in that reservoir. There is not enough water there now to drown a mouse, for the simple reason that there is no runoff. Therefore the people of that area feel that they will never have the assurance of irrigation until such time as the main project is constructed under which water will be diverted from the Red Deer river into Hamilton lake, and from there down through the drainage creeks into various parts of that land.

The first dam that was built was the Bartman dam which was built several years ago on Berry creek. That project provides for irrigation by gravity and many hundreds of acres have been irrigated from that reservoir. Good use has been made of it. The other three dams that have either been built or are being built are for the purpose of creating reservoirs to provide water for irrigation by means of a sprinkler system.

The question I should like to ask the minister is what the policy of the federal government is with regard to providing grants to farmers for the purchase of aluminum pipe in connection with the sprinkler system. I sat down with the chairman of the special areas board and discussed the matter with Mr. Larry Helmer, who is the P.F.R.A. agent at Hanna. He told us that a grant of $350 per farmer would be provided for the purpose of buying aluminum pipe for irrigation projects provided that no money had been given to those farmers for the purpose of digging dug-outs or erecting dams. I am especially interested in finding out whether or not that is correct. I do not doubt it because the minister knows the man to whom I refer. I know him well and I know he is not the type of man who runs around making irresponsible statements. Therefore I take it that it is correct.

The reason I am interested is that if irrigation is going to be provided by a sprinkler system it will mean a great saving in cost to both the federal and the provincial governments in not having to dig ditches. If the federal government is making a grant I think there is every reason why the provincial government would also make a contribution towards a sprinkler system because such a system would also save them the cost of digging ditches for the purpose of getting water on the land. Another reason why we favour a sprinkler system in that area is that it is rolling land and it will not be easy to irrigate by means of ditches. Secondly there is a certain amount of alkali, and with a sprinkler system we will not have so much trouble. I know many people will say that a sprinkler system is far more expensive than a gravity system. I listened to Dr. Palmer from the Lethbridge experimental farm, however, who showed clearly that while the initial cost may be greater, nevertheless over a period of time it would be even cheaper than a gravity system because there would be such tremendous savings in labour. So I wonder if the minister could briefly outline the policy in regard to the purchase of aluminum pipe.

Mr. Gardiner: I believe the hon. gentleman asked me this question earlier in the session, and I was unable to answer it until I communicated with the western organization. They tell me no such suggestion has ever been made. They say some of the agents selling aluminum pipe promoted the sale of the pipe on the basis that the government ought to do this. Anyone who is familiar with suggestions of that kind realizes that you do not have to go very far—as a matter of fact you need not go outside this house, if you look at the newspaper reports—to have a suggestion by an agent selling something become a suggestion that the government ought to do something, and finally have someone saying the government is going to do it. The government have never said they are going to do it. As a matter of fact we had six men out this summer investigating the position with respect to that kind of irrigation, and we have not sufficient information to advise farmers to adopt it as against some other methods. It does not settle all those

problems having to do with alkali, and so on; we know that. Those matters are associated with the amount of water and the manner in which it is put on the land. An individual might put water on his land by means of pipes and cause damage through alkali, just as he might cause the damage in some other way.

Most of the reservoirs that have been constructed in the vicinity of Hanna are of a type and in a position which will make it possible to utilize them in connection with the Red Deer project when it is brought into being. They were built as the result of representations made by a delegation that came from Hanna to Lethbridge when I was there in 1947, I think, or the early part of 1948. Their representations were to the effect that if those reservoirs were proceeded with while the other larger project was under consideration, in the meantime it would be possible for them to irrigate some six or seven thousand acres of land. I brought those representations back here and recommended to the government that we proceed with those reservoirs, and following that recommendation the work was carried on.

The unfortunate thing about it, and what makes it possible for the hon. member to say there was not enough water in some of these reservoirs this year to drown a mouse, is that there was no rain. That is the reason we have irrigation systems out west. I may tell my hon. friend that I built a very large cistern on my own farm, which is in a district that usually has much more moisture than most of the constituency my hon. friend represents. While I have a barn roof 100 feet long and 40 feet wide from which to get water for the cistern, which is only 10 feet wide and 60 feet long, I have not had more than 20 inches of water in it at any time this year. The fact is that we did not have three inches of rain from one July to the next. That is why we talk about irrigation out west. It does not rain enough every year to put water into the reservoirs. But we are hopeful that in the years to come we will have runoffs some time, and when we get those reservoirs filled they will take care of the needs over considerable periods of drought. Then when we get the larger scheme in operation these reservoirs will be filled from time to time from the larger dams.

After having said this, I do not want anyone to say that I made the promise tonight that we are going to build the dam at some particular time. I am only saying that when that dam is constructed—and I assume it will be constructed—the reservoirs which have been put in this year will form part of the whole system and it will not be necessary to have them supplied by runoffs every year. The water will be brought in from the larger reservoir that will be put in for the purpose of replenishing these smaller ones from time to time.

Mr. Quelch: I think the minister misunderstood me. I did not say a salesman for a particular system had said anything.

Mr. Gardiner: I know my hon. friend did not say that; he referred to somebody I knew very well. I do not really know whom he is talking about, but likely I do know the man very well; I know a great many people in Alberta very well. I am saying that we investigated that rumour, it led us back to the salesmen who were selling pipe. They were going around that district saying these things, and I have no doubt somebody believed what was being said, and it was not long until someone said the government was going to do it. Well, we are not doing it.

Mr. Quelch: I can give the minister the name of the person responsible for the rumour. He is the district representative of P.F.R.A., Mr. Larry Helmer. He gave that information to the chairman of the special areas board, and I was there when it was given. That information was also given to the east central irrigation association; and keen enthusiasm in the sprinkler system has been created throughout the district by the minister's own representative.

Mr. Gardiner: The director, who is sitting in front of me, tells me Mr. Helmer is the very man he investigated out there, and that was where he got the information that these statements were being made by the agents. When they told him that he took it for granted the information was correct, and repeated it.

Mr. Quelch: Then I would suggest that the minister immediately contact Mr. Helmer, because the sooner that rumour is denied the better it will be. Otherwise it may cause a great deal of trouble.

Mr. Gardiner: I took it up with the director right after my hon. friend mentioned it to me, and he tells me that he contacted Mr. Helmer and that what my hon. friend suggests has been done. I am quite sure he is not circulating that report now.

Mr. Quelch: I am glad to hear that. I am not saying this was done during the election campaign. As a matter of fact that information was given to us six weeks after the election, so I am not making any charge of political propaganda. I should like to ask the minister one or two other questions. Could he say whether or not consideration has been given by the prairie provinces water board to the construction of the Red Deer diversion project?

Mr. Gardiner: I am informed that up to the present the Alberta government has not applied to that board for a diversion of water for the Red Deer project. I am not saying this to be critical of that government. The understanding we have with the government of Alberta is that the Bow river project, which was under way, would be proceeded with by the federal government with as little as possible in the way of further discussions with the province. They assumed that we had undertaken the obligation and would go along with it until we reached the point of working the land they owned, and that then the matter would be discussed and we would come to some arrangement about it; and we intend to come to that arrangement. Then they agreed that after this the St. Mary project should be proceeded with and developed as rapidly as possible, and that the Red Deer project should follow after that. So we have been devoting the greater part of our time and effort to the first two projects. With respect to the other one, in the meantime we have been making these temporary arrangements and putting in small dams that do take care of some of the farmers.

Mr. Quelch: Did I understand the minister to say the St. Mary river project would be completed first, and then the Bow river project?

Mr. Gardiner: Perhaps I should not say it will be completed. We intend to get it far enough under way so that it is a going concern, and then turn our attention to the other project.

Mr. Quelch: I am glad to hear that, because it means we will not have to wait another fourteen years.

Mr. Gardiner: That is right.

Mr. Wright: I am fortunate in representing a constituency in Saskatchewan where we do not need irrigation, but I have been interested in this discussion. In that province we are all interested in the irrigation project, and particularly in industrialization. When the minister stated, as I think he did, that the government would be responsible for the major work, that is the dam for storing the water, and that the province would come into the picture in the distribution of the water and the irrigation of the land, so far as the province of Saskatchewan is concerned I believe that has been understood. Last year a department of the provincial government was set up to make a study of irrigation and to be prepared, if and when the dominion government completed the dam, to do something with the water. We hope they will not have to wait ten years to get some water to us. I think they will be prepared to use it before that.

I am interested in this point: If the dominion government is going to build the major dams, then will the dominion government own the power which will result from that dam? It seems to me that is an important point. Who is going to own the power that will be produced at the major dams? Will it be under the control of the province or under the control of the dominion? If the dominion is building the dam and will own the power, then it will be able to get large returns from the power. I should like to hear the minister's explanation of that situation.

Mr. Gardiner: I am pleased to hear the hon. member who comes from the northern part of Saskatchewan, an area that is not concerned really with this particular development, say that the province was assuming an obligation in connection with this project and has set up an organization to take care of this obligation. That is right. There is another development which has never been discussed in this house to any great extent and which I am not going to start discussing at this time of night, which does not happen to be within the bounds of either Alberta or Saskatchewan, but which will serve the northern part of the province. Even though the hon. member comes from a section of the province which is some distance from where these discussions have taken place, I was pleased to hear what he said.

This government has been assuming that the water which is put there for the purpose of irrigation and the purpose of power will be utilized by the province or some agency set up under provincial law. Irrigation law is provincial law. As my hon. friend knows, I had the privilege of setting up the power commission in the province of Saskatchewan. It is still operating. It is the expectation of this government that the power commission will utilize the power. It is not the intention of the government to charge rates for water, either for power purposes or for irrigation purposes, which will return part of the capital cost. If anything is charged it will only be enough to pay for the maintenance of the dam and the reservoir that holds the water. This subject has been discussed here and it was agreed by all that there should only be a charge of that kind.

Mr. Knight: If the discussion is to be continued until eleven o'clock, Mr. Chairman, I shall carry on, but if it is the desire of the committee to call it eleven o'clock now, I am agreeable.

Some hon. Members: Carry the item.

Mr. Knight: I had hoped, sir, that I was merely going to speak on the smaller project which, in some ways, is subsidiary to this larger project in the Saskatchewan river. I say this is subsidiary because the minister has acknowledged it to be so by the issuance of a map. The hon. member for Lake Centre (Mr. Diefenbaker) referred to it tonight. This map has certain black spots on it showing subsidiary dams all the way up into the Rosthern constituency and my constituency. I did not want to speak in a political tone tonight, but I do want to say in all seriousness and earnestness that I have been more bitterly disappointed tonight than at any time since I came here in 1945.

I had hoped that yesterday the minister merely made a slip of the tongue and, in that persistent way he has, was refusing to acknowledge himself in the wrong. I thought after this debate was over everything would be sweetness and light, and we would be back to where we were before with regard to this whole project. I am now convinced in my mind that the government has abandoned the Saskatchewan project. I cannot come to any other conclusion.

Mr. Gardiner: It is our child; why should we abandon it?

Mr. Knight: The minister told me on an occasion when I went out to make a speech, which he has referred to as "that speech", that it would lose me the election in the Hanley territory. It did not. Although I want to be modest, I can say that my majority was trebled over that of the 1945 election. That is not what I came to tell you about, however. The minister was rather annoyed at me when I suggested on several occasions he was pussyfooting about this particular project and making a political football out of it. I have now come to the reluctant conclusion that I was right.

The election was won by the Liberal party, and they made a fine showing in Saskatchewan. May I give the minister all the credit for that, much more credit than I would give the Liberal leader in that particular province. There are two things to which I give credit for the Liberal victory. The first is the astuteness of the Minister of Agriculture and the second is the promises which were made in regard to this particular water project. The Minister of Agriculture has returned to this house with what I call his cheering section, the fourteen Liberal members gained at the expense of this party in the province of Saskatchewan. I should like to ask them tonight if they will get up during this debate—

The Acting Chairman (Mr. Langlois, Gaspé): It being eleven o'clock, shall I report progress?

Progress reported.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): On Monday next we will proceed with the notice of motion concerning an act to amend the British North America Act, which is in the name of the Prime Minister. We will then take up the second reading of Bill No. 12, to establish the Canadian Overseas Telecommunication Corporation. If we can reach the next item, it will be the second reading of Bill No. 62, an act respecting forest conservation. If those bills are completed, we will move to go into supply, calling two new departments and completing the Agriculture estimates.

Mr. Green: May I ask the hon. minister a question? I understood him to say that two new departments will be called if there is a motion to go into supply. About thirteen departments have been put in so far, so there are only three remaining; is that correct?

Mr. Fournier (Hull): No. I hesitate to say there are six, but I am sure of five departments that are to come.

Mr. Green: I would suggest the government be satisfied with putting in one department on this occasion.

Mr. Fournier (Hull): We are always ready to accept a suggestion from my hon. friend.

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

HOUSE OF COMMONS

Monday, October 17, 1949

The house met at three o'clock.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—CONSULTATION WITH PROVINCIAL GOVERNMENTS—TABLING OF CORRESPONDENCE

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I should like to table copies of correspondence I have had with premiers of the provinces with respect to amendments to the British North America Act, following the letters to them, copies of which I tabled on September 15.

(For text of correspondence, see appendix, page 870 et seq. See also page 841.)

CHINA

ANSWER TO QUESTION BY MR. GREEN ON OCTOBER 14

Hon. Brooke Claxton (Minister of National Defence): Mr. Speaker, last Friday the hon. member for Vancouver-Quadra (Mr. Green) referred to the press report of a statement made in San Francisco by the Canadian ambassador to China, who was on his way to Ottawa for consultation. Mr. Davis is expected to reach Ottawa next week, after a few days in Saskatchewan. Without having had the opportunity of speaking with him, I am unable to comment on the remarks he is reported to have made. I can assure the hon. member, however, that the situation which has been developing in China has been and is under constant and careful survey by the Department of External Affairs, and that if a statement is not made before then, my colleague the Secretary of State for External Affairs (Mr. Pearson) will deal with the situation when he returns from Lake Success.

QUESTION AS TO SINGAPORE CONFERENCE OF COMMONWEALTH REPRESENTATIVES

Mr. Howard C. Green (Vancouver-Quadra): I should like to ask a question which I had intended to ask on the orders of the day, but which ties in directly with the answer just given. Over the week end it has been announced that early next month there is to be a conference in Singapore of top-ranking representatives of various commonwealth countries. I believe it includes all of them, with the exception of South Africa and Canada. Apparently the purpose is to consider the threat of communism in the Orient, and to chart a course for future dealings with the Chinese Reds. Is Canada taking part in that conference?

Right Hon. L. S. St. Laurent (Prime Minister): I received notice in my office of the hon. member's intention to ask this question on the orders of the day. The answer is that the Canadian government has no official information concerning the proposed meeting in Singapore to which the question refers. It is my understanding that this meeting has been arranged so that the United Kingdom representatives in the Far East might discuss among themselves matters of mutual concern, and that there may be present local representatives of certain other commonwealth governments. There has been no invitation to Canada to be represented at that meeting.

Mr. Green: Will the government make inquiries to see whether the conference is as broad as the report discloses?—because in Canada, and particularly on the Pacific coast, we are vitally concerned in what happens in China.

Mr. St. Laurent: No; I do not think Canada will take the initiative of asking whether the conference has the scope indicated by newspaper reports. If it did have that scope, we would expect to be notified by the United Kingdom government, without the initiative being taken by us.

Mr. Green: And Canada would take part?

Mr. St. Laurent: Canada will make its decision when it has had an invitation, if it gets one.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

ORDERS IN COUNCIL PASSED SINCE MARCH 1, 1949

Mr. Diefenbaker:

1. How many orders in council have been issued or passed since March 1, 1949?
2. Of these, how many have been (a) published in the *Canada Gazette;* (b) tabled in the house?

Mr. St. Laurent: Stand.

Mr. Harris (Danforth): The Prime Minister has asked that this question stand. When he is answering it, will he be good enough to make his answer broad enough to include the answer to a question on the same subject

asked by me on April 25, 1949, as reported at page 2517 of *Hansard* of last session. It was put to one side by the Prime Minister with the statement that he would answer in a month's time, knowing that parliament in the meantime would be dissolved.

Mr. St. Laurent: I do not recollect the incident to which the hon. member refers, but I shall look at *Hansard*. I should be surprised if at the time the hon. member mentions there had been any decision whether the house would be dissolved.

PRAIRIE FARM REHABILITATION—SOUTH SASKATCHEWAN PROJECT

Mr. Larson:

1. What amount of money was spent prior to March 31, 1948, by P.F.R.A. in connection with investigational work on the south Saskatchewan project?
2. What amount of money was spent from April 1, 1948, to March 31, 1949, investigating the present or other sites, prior to selection of the present site (Coteau creek)?
3. What money has been spent or is actually committed to be spent April 1, 1949, to September 30, 1949, to survey the south Saskatchewan project?
4. What is the estimated amount of expenditure on the south Saskatchewan project from April 1, 1949, to March 31, 1950?

Mr. McCubbin:

1. $296,447.87.
2. $143,212.76.
3. $634,308.25.
4. $1,200,000.

CANADIAN NATIONAL RAILWAYS—DIRECTORS AND HEAD OFFICES

Mr. Church:

1. Will the appointment of a new president of the Canadian National Railways include a reorganization and a new board of directors?
2. Will anything be done to reduce the number of directors to three?
3. Will consideration be given to removing the head offices to Toronto?

Mr. Chevrier:

1. No.
2. No.
3. No.

FISHERIES PRICES SUPPORT BOARD—NEWFOUNDLAND REPRESENTATION

Mr. Higgins:

1. Has Newfoundland been given representation on the fisheries prices support board?
2. If so, what are the names of persons appointed?

Mr. MacNaught:

1. Section 42 of the Statute Law Amendment (Newfoundland) Act increases membership of the fisheries prices support board from five to six to provide for appointment of one member from Newfoundland.

[Mr. Harris (Danforth).]

2. Up to the present, an appointment has not been made, but one is under active consideration and it is anticipated an early announcement will be made in this respect.

RADIO BROADCASTING—LICENCES TO PRIVATE STATIONS

Mr. Diefenbaker:

1. How many applications for private radio broadcasting licences have been made since the 1st of January, 1949?
2. What are the names of the applicants, and what was the decision made by the C.B.C. in each case?

Mr. Chevrier:

1. 12.

2. Applications for private commercial broadcasting stations received in the Department of Transport since January 1, 1949.

Applicant and Recommendation of the board of governors of the C.B.C.

Bergman-Moffatt, Broadcasting Company Limited, Winnipeg, Man.—That the application be granted.

Radio Temiscamingue Incorporated, Ville-Marie, Que.—That the application be granted.

Department of National Defence (Army), Brochet, Man.—That the application be granted.

Ralph T. Snelgrove, Barrie, Ont.—That the application be granted.

H. A. Corning, St. Stephen, N.B.—That the application be denied.

La Societe St. Jean Baptiste de Montreal, Que.—That the application be denied.

Radio La Sarre Incorporated, La Sarre, Que.—That the application be deferred.

Newfoundland Enterprises, St. John's, Nfld.—That the application be deferred.

La Compagnie de Radio Diffusion de Thetford Limitee—The Thetford Broadcasting Company Limited, Thetford Mines, Que.—Application not yet considered by board of governors of C.B.C.

Saskatoon Broadcasters Limited, Saskatoon, Sask.—Application not yet considered by board of governors of C.B.C.

Department of National Defence (Army), Yellowknife, N.W.T.—Application not yet considered by board of governors of C.B.C.

David M. Armstrong, Victoria, B.C.—Application not yet considered by board of governors of C.B.C.

NEWFOUNDLAND—DOMINICAN REPUBLIC AGREEMENT

Mr. Browne (St. John's West):

Has any change taken place since April 1, 1949, in the agreement between Newfoundland and the Dominican republic?

Mr. Claxton: I assume the hon. member refers to the exchange of notes of March 16,

1940, relating to commercial arrangements. This agreement ceased to apply to Newfoundland as from April 1, 1949. The agreement provided for a concession on codfish entering the Dominican republic from Newfoundland, and this concession has been successfully re-negotiated by Canada at Annecy.

DEEP-SEA CARGO VESSELS

Mr. Green:

1. How many deep-sea cargo vessels built in Canada for war purposes are now under Canadian registry?

2. Of this number, how many are not now in operation?

3. How many merchant seamen are serving on the vessels in operation?

Mr. Chevrier:

1. 118.

2. 18.

3. Approximately 4,100, including masters and officers.

Mr. Green:

1. How many deep-sea cargo vessels are under construction in Canadian shipbuilding yards at the present time?

2. What is to be the registered tonnage and speed of each of such vessels?

Mr. Chevrier:

1. Four.

2. Three — 3100 gross (approx. each); speed 15 knots. One—3945 gross (approx); speed 15 knots.

RAILWAY TO ALASKA

Mr. Green:

1. Have there been any negotiations between the government of Canada and the government of the United States concerning the construction of a railway through Canada to Alaska?

2. Have any surveys been made or authorized by the Canadian government in connection with such a railway?

Mr. Claxton:

1. There have been no formal negotiations, but informal discussions took place in September and October, 1942.

2. Yes, the Canadian government authorized the United States army engineers to make a survey in 1942.

NEWFOUNDLAND—TRANSITIONAL GRANT

Mr. Browne (St. John's West):

1. What portion of the first transitional grant of $6,500,000 has been paid to the province of Newfoundland up to and including the 1st day of October, 1949?

2. What are the dates of payment?

Mr. Belzile:

1. Three-quarters.

2. $1,625,000 on April 6, 1949, July 2, 1949, and October 1, 1949.

TAX AGREEMENT WITH NEWFOUNDLAND

Mr. Browne (St. John's West):

1. Has the government of Canada yet entered into a tax agreement with the province of Newfoundland?

2. If so, what are the terms of the said agreement?

Mr. Belzile:

1. No, but an agreement is now under negotiation.

2. Answered by No. 1.

NEWFOUNDLAND—AMOUNT ON DEPOSIT WITH FEDERAL GOVERNMENT

Mr. Browne (St. John's West):

What was the amount of money on deposit with the government of Canada by the province of Newfoundland on (a) April 1, 1949; (b) October 1, 1949; (c) where are such moneys held?

Mr. Belzile:

(a) nil; (b) nil; (c) not applicable.

QUESTIONS PASSED AS ORDERS FOR RETURNS

NEWFOUNDLAND—DEPARTMENT OF POSTS AND TELEGRAPHS

Mr. Browne (St. John's West):

What have been the revenues and expenditures of the operations of the Department of Posts and Telegraphs in Newfoundland during the six-month period ending September 30, 1949?

PROVINCE OF QUEBEC—FINANCIAL ASSISTANCE FROM FEDERAL GOVERNMENT

Mr. Bertrand:

1. Does the government of the province of Quebec receive grants or other financial assistance from the federal government?

2. What federal departments are concerned in such assistance?

3. What does the said assistance represent for the year 1948?

FLOOD CONTROL, BRITISH COLUMBIA—PROTECTIVE AND DRAINAGE PROJECTS

Mr. Black (Cumberland):

1. What has been expended by the federal government in each of the last three years, in the Fraser valley and other locations in British Columbia, on account of freshets and floods, in respect to (a) building dikes and other protective and draining works; (b) compensation for damages; (c) cost of engineering and inspection?

2. What further expenditures have been (a) authorized; (b) recommended or contemplated?

3. What expenditures or contributions have been made by the provincial government of British Columbia?

4. What is the estimated total expenditure necessary to complete these projects?

IMMIGRATION—JAPANESE

Mr. Green:

1. Are persons of Japanese nationality being admitted to Canada from Japan?

2. If so, how many have been admitted to date in the year 1949?

3. How many of this number were in Japan throughout the war with that country?
4. How many were sent to Japan on exchange during the war?
5. How many went to Japan after the war under the repatriation scheme of the Canadian government?

MERCHANT MARINE—VOCATIONAL TRAINING

Mr. Green:

1. How many applications were received from Canadian merchant navy veterans for vocational training as provided by order in council 5983 passed on or about the 29th day of December, 1948?
2. How many veterans were accepted for such training?
3. How many were rejected on the ground that they had served on ships of registry other than Canadian registry?
4. How many were rejected on the ground that they had not signed a manning pool agreement?
5. How many were rejected on the ground that they already had employment or a vocation?

Mr. Bradley: Return tabled.

ASSISTANCE TO GOLD MINES

Mr. Knowles:

1. By months, how much gold has been bought by the Canadian government, or any agency thereof, from gold mines in Canada, from January 1, 1947, to the present time?
2. By months, how much money has been paid to gold mining companies, under the provisions of the Emergency Gold Mining Assistance Act, since January 1, 1948?
3. By months, how much gold has been bought by the Canadian government, or any agency thereof, from the McIntyre Porcupine Mines, Limited, from January 1, 1947 to the present time?
4. By months, how much money has been paid to the McIntyre Porcupine Mines, Limited, under the provisions of the Emergency Gold Mining Assistance Act, since January 1, 1948?

MOTIONS FOR PAPERS

WAR VETERANS ALLOWANCE

Mr. Knowles:

For a copy of all regulations under the act, and/or all rulings by the board administering or interpreting the act, relating to the application of the War Veterans' Allowance Act means test to liquid assets held by applicants for the war veterans' allowance?

WHITE ROCK, B.C., POST OFFICE SITE

Mr. MacInnis:

For a copy of all letters, telegrams and other correspondence passing between the Minister of Public Works or any other member of the government and any other person relating to the acquiring by the government of a site for a post office at White Rock, British Columbia, between January 1, 1948 and June 30, 1949.

STATE-OPERATED LOTTERIES

Mr. Knowles:

For a copy of all letters received by the Minister of Justice, dated since September 1, 1949, from the board of evangelism and social service of the United Church of Canada, and from any other national church or other organizations, with reference to the announced intention of one of the provincial governments to establish a state-operated lottery, together with a copy of the reply of the Minister of Justice to each such letter.

DEPARTMENT OF AGRICULTURE—EMPLOYEES IN BRITISH COLUMBIA

Mr. Green:

For a return showing the number of employees of the Department of Agriculture in the province of British Columbia, and the following information in respect of each person so employed (a) name; (b) place of employment; (c) departmental branch in which employed; (d) classification; (e) whether permanent or temporary.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—ADDRESS TO HIS MAJESTY THE KING

Right Hon. L. S. St. Laurent (Prime Minister) moved:

That an humble address be presented to His Majesty the King in the following words:

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

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

An act to amend the British North America Act, 1867, relating to the amendment of the constitution of Canada.

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

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

1. Section ninety-one of the British North America Act, 1867, is amended by renumbering class 1 thereof as class 1A and by inserting therein immediately before that class the following as class 1:

"1. The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces, or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province, or to any class of persons with respect to schools or as regards the use of the English or the French language."

2. This act may be cited as the British North America Act, 1949 (No. 2), and the British North America Acts, 1867-1949, and this act may be cited together as the British North America Acts, 1867-1949 (No. 2).

He said: Mr. Speaker, I have no doubt that hon. members will regard this resolution as one of the most important steps in the constitutional development of Canada that has come before this parliament since confederation. Of course the very nature

of a federation requires that there be a constitution, largely of a written and well-defined character. That is necessary because the basis of federation is a distribution of powers between a central and several state or provincial legislative and government bodies. If the federation is to preserve its character, that distribution must not only be clear and precise, but protected in some manner from encroachment by any of the legislative bodies.

The result is necessarily a constitution that cannot in all its aspects have the complete fluidity of the constitution of a unitary state. On the other hand, the constitution must not be so rigid that it cripples the development of the nation or prevents the nation from living and growing within the framework that had been established. In one aspect the resolution before the house deals with the capacity of Canada to live and grow and adapt itself to the demands of the future, but to do so within the framework that was devised in 1867. This may be looked upon as the internal aspect of the resolution.

The second aspect of the resolution deals with the attributes of Canada as an adult sovereign state among the states of the world. Up to the present time Canada has had the unique, but perhaps not altogether proud or enviable, distinction among the nations of the world of being the only sovereign state without the power to amend its own constitution. It is a distinction for which we are not apt to be envied by other countries, and a distinction which other nations must have regarded for some time either as a denial of our sovereignty or as a mark of an inferiority complex that has prevented us from asserting our capacity to take responsibility for the complete management of our own affairs. What the present resolution seeks is that, in part at least, Canada should assume one of the normal attributes of nationhood which I believe its record, its status and the political capacity of the Canadian people obviously demand.

It will be remembered that other members of the commonwealth have for years had the power and the right to amend their constitutions. The Australian Constitution Act of 1900, in section 128, provides that a majority of both houses, plus a referendum with an over-all majority throughout the commonwealth and in a majority of the states, can bring an amendment into effect. My understanding is that this has proved to be a rigid manner of dealing with amendments which might be required from time to time.

The South Africa Act of 1909 provides, in section 152, a method of amending the South African constitution. The amendment may be made in many cases by a majority of both houses, with certain sections requiring a joint session of the two houses and a two-thirds majority of those composing the joint session. In New Zealand, a majority of the general assembly may in most cases make amendments to the constitution. That is probably because of the fact that it is a unitary state, and that there are no other jurisdictions susceptible of being impinged upon.

In the original constitution of the Irish Free State, which provided a unitary state in 1922, article 50 dealt with the method of amendment. It required a majority of both houses, plus a majority in a popular referendum. The Indian constitution has not yet been adopted, but we may be confident that when it is, there will be provision made for its amendment from time to time.

I suppose it is not surprising that in the British North America Act no provisions for amendment were made. One reason was assigned in 1929 in the report of the London conference on the operation of dominion legislation and merchant shipping legislation. It was a conference of experts to prepare a draft for what later became the Statute of Westminster. Paragraph 63 of that report is in the following terms:

> Canada alone among the dominions has at present no power to amend its constitution act without legislation by the parliament of the United Kingdom. The fact that no specific provision was made for effecting desired amendments wholly by Canadian agencies is easily understood, apart from the special conditions existing in Canada at the time, when it is recalled that the B.N.A. Act, 1867, was the first dominion federal measure and was passed over sixty years ago at an early stage of development.

I do not think it is entirely clear what is meant by the words "special conditions existing in Canada at the time", but the main statement is entirely true. The reason for the omission of an amending clause was that Canada led the parade in achieving dominion status as distinct from the old colonial status, and I think it is fair to assume that the full implications of that change were not appreciated at the time. Canada had had several constitutional statutes before, and none of them contained any provision for amendment. It was quite the normal thing to have anything of that importance dealt with by the parliament at Westminster. There were no provisions for amending the Quebec Act of 1774, the Constitutional Act of 1791, or the Union Act of 1840. I think it is fair to assume that it was thought that the British North America Act, like earlier statutes applicable to Canada, would be amended whenever necessary by the British parliament itself.

Thirty or forty years later, after the Canadian constitutional set-up provided in

1867 had functioned for an autonomous dominion, it was realized that in preparing constitutions for the like dominions of Australia and South Africa there should be some procedure provided for amendment from time to time. The result of that omission in the British North America Act has been that each time an amendment has been desired, Canadians have had to go to the British parliament to have the amendment enacted. It has also meant that there was no definite procedure laid down as to what had to be done in Canada to obtain an amendment by the British parliament, and as a result not only has the procedure varied, but in many instances there have been charges that an improper procedure was being followed, and that some different procedure should have been adopted. Hon. members will recall that since 1867 it has been found desirable to have amendments made to the British North America Act on eleven occasions, and there have been four different forms of procedure adopted in Canada to bring about the amendments.

The first two occasions, in 1871 and 1875, the government of the day sought the amendments without the prior approval of parliament. In 1871 parliament took exception to that procedure. Mr. Blake, a leading member of the opposition at the time, initiated a debate condemning the attitude of the government in taking the responsibility of applying for an amendment without the prior consent of parliament. The government conceded immediately the desirability of consulting parliament, and the House of Commons unanimously adopted a resolution, moved by Mr. Holton, that no change in the provisions of the British North America Act should be sought by the executive government without the previous assent of the parliament of this dominion. A few days after the unanimous adoption of that resolution by the House of Commons, the government brought down a joint address, which was adopted, and which formed the basis upon which the amendment was made by the United Kingdom parliament.

In 1875 an amendment was passed on the basis of the government's request without joint addresses having been adopted by the houses of parliament, but objection was again taken in the House of Commons, and a resolution similar to that of 1871 was introduced. The government recognized the propriety of the principle of the resolution, and after a debate the resolution was withdrawn. Since then no Canadian government has ever ventured to suggest an amendment to the constitution without the formality of addresses by the houses of parliament.

Where joint addresses have been introduced in the houses of parliament, in most cases it has been without prior consultation and certainly without consent of the provincial legislatures or provincial governments. This was the case in seven of the eleven amendments; that of 1871; the amendment of 1886, concerning the representation of the territories in parliament; that of 1915, respecting the number of senators, and providing that thereafter no province should be entitled to fewer representatives in the Commons than it was entitled to members in the other place; that of 1916, to extend the term of the twelfth parliament for one year; that of 1943, to defer redistribution until the end of the war; that of 1946, to amend and alter the basis of representation in parliament as is now provided by section 51; and the so-called amendment of 1949, to ratify the terms of the entry of Newfoundland into the Canadian federation.

There has been one case in which an amendment was sought after consultation with certain provinces to be affected thereby. It was the amendment of 1930, to restore the natural resources to the control of the prairie provinces. That amendment was sought after consultation with the western provinces, but without consultation with the other provinces. In two cases amendments have been sought after consultation with all the provinces. The first was in 1907, when it was proposed to amend the constitution to alter the basis of provincial subsidies. All the provinces were consulted, and eight of the then nine provinces agreed. British Columbia opposed the proposal, both here and before the parliament at Westminster; but in spite of its opposition the amendment was adopted. In 1940, as hon. members will recall, there was an application to transfer to parliament jurisdiction which under the act had been allocated to the provinces—that is to say, jurisdiction with respect to unemployment insurance. That amendment was sought only after the consent of all provincial governments had been obtained. In some of the provinces the consent was given after consultation with the legislative body. In others it was given by the executive government without consulting the legislative body of the province concerned.

In one other case, steps were taken toward an amendment by means of joint addresses without provincial consultation, but the matter was not proceeded with to the point of obtaining the amendment. In 1920 a proposal was made to give extraterritorial effect to dominion legislation. Joint addresses asking for such an amendment were adopted, but after correspondence with the authorities of the colonial office the matter was not proceeded with. It was finally dealt with by the imperial conference of 1926. The decision

of the imperial conference was implemented by the Statute of Westminster, which gives extraterritorial effect to dominion legislation otherwise intra vires of the power of parliament.

To analyse the twelve cases: in nine cases the provinces were not consulted at all; in one case some provinces were consulted, those to be immediately affected by the amendment proposed; in two cases, all provinces were consulted, in one, eight of the nine agreeing and one disagreeing; in the other, the nine provinces agreeing. The result has been a continuing controversy as to the proper procedure to follow in any particular case; and in at least half the number of occasions on which amendments were sought and obtained, the procedure adopted was criticized. In 1871 and 1875, when the government of Canada asked for amendments without the approval of parliament, parliament criticized. The government admitted the validity of the criticism, and promised that careful note would be taken of it; and such careful note was taken that never since 1875 has any government ventured to resort to that procedure. In 1907 all the provinces were consulted, and British Columbia objected to the amendment because it was not satisfied with the substance of the matter proposed. In 1915 the provinces were not consulted, but Prince Edward Island objected on the ground that its representation in parliament should not be reduced at all. It was not satisfied with the provision that its representation here should never be reduced below its number of senators, but insisted that it should not be reduced at all. It was after litigation arising out of that position that a dictum of the privy council indicated that in order to bring about a reduction there did not have to be, as Prince Edward Island contended, some increase in representation since confederation in the first instance, but that there did have to be a diminution within the ten-year period, that is to say between two decennial censuses, of five per cent in the proportion of the population of the province to the population of the whole dominion, which brought about the situation dealt with by the amendment of 1946.

In 1943 the government of Quebec objected, and contended that before attempting to postpone redistribution the provinces should have been consulted. In 1946 a resolution was moved in this house to the effect that the matter under discussion should not be proceeded with until the provincial governments had been consulted. As hon. members who were here during the last parliament will remember, that point of view was again urged when it was proposed to ask the parliament at Westminster to ratify the legislation providing for the union of Newfoundland and Canada.

It was not clear what consultation meant—whether it meant merely that the matter should be brought to the notice of the provincial governments, or that they should give their consent. Hon. members will recall that there was a resolution calling for consultation, and that when an amendment was moved suggesting that the matter should not be proceeded with unless the consultation resulted in the consent of the provinces, many of those who favoured the theory of consultation voted against the amendment. I thought it might be wise to indicate objectively what the course of events has been, and then to recall that even in the days of Sir John A. Macdonald he had said that Canada is a difficult country to govern. I believe the foregoing indicates that throughout the years it has become, in some respects, even more difficult than it was in the days of Sir John. We have enough problems with which to contend without periodically having this controversy over the proper method to be adopted in Canada to bring about an amendment which is a matter of mere ratification by the parliament at Westminster.

Another consequence of the fact that there is no procedure indicated in the British North America Act for its amendment is that there is no prescribed legal protection in that act for the fundamental provisions of our constitution. I am not worried about that myself. On more than one occasion I have said that the best guarantee of the fundamental provisions of the constitution is to be found in the good sense and fairness of the Canadian people and of those they send to represent them in parliament. In a federal constitution it is usual to provide that some special rigid procedure be followed whenever any question arises as to amending any of the fundamental principles of the federation. It may have been felt that, so long as Canada was in a semi-colonial position, the fact of having to go to Westminster for an amendment provided some form of protection for those fundamental principles.

In the early days of our national life, there was no question as to the right and propriety of the British government interfering to some degree in our Canadian affairs. Canadian statutes could be disallowed, and we had no control over our external relations. Statutes of the parliament of the United Kingdom could be made to apply to Canada. In such conditions I think there could be no doubt that the British government would have felt some moral responsibility, perhaps to the extent of refusing to accede to a

request for an amendment which might seem to disturb the fundamentals of our federation without adequate participation in that request by all the parties concerned. A request by the houses of the Canadian parliament without consultation with the provinces might perhaps have been rejected if they felt that it invaded the fundamental aspects of federal-provincial relations.

It cannot be assumed now that any such condition could exist. After the development of complete nationhood by Canada; after years of relations with the government of the United Kingdom on the basis of absolute equality, and after the long establishment of the position that neither country interferes with the affairs of the other, could anyone feel now any assurance that a request for an amendment, supported by the majority of the representatives of the Canadian people in the two houses of the federal parliament, would be rejected by London? As a matter of fact the embarrassment that is felt in that quarter over having to appear to take responsibility arises out of the fact that no one likes taking responsibility for matters over which he exercises no real control.

The United Kingdom authorities, I will not say resent, but do not like the position in which they are placed of having to rubber-stamp decisions for Canadians, made by the representatives of Canadians, and having to do it because no other procedure has been yet devised in Canada for implementing those decisions. I believe we must recognize that either Canada is a sovereign state or she is not. If the former is true, then Canada must act as an adult nation and assume her own responsibilities. If we are not prepared to assume our responsibilities, then we should revert to adolescence and ask others to serve as our guardian.

I do not think Canadians now wish the parliament of the United Kingdom to exercise any responsibility for watching over our conduct of Canadian affairs. It is our own responsibility to see that the fundamentals of the Canadian constitution are protected and preserved. How that should be done is, I think, a matter for discussion between the federal and provincial authorities. It is a matter to be settled in Canada, by Canadians and for Canadians. It should not be left as a burden on the parliament of another nation.

The unsatisfactory condition resulting from the lack of amending procedure in the British North America Act has been generally recognized for years. It has led to repeated consideration in parliament, exchanges with provincial governments, and dominion-provincial conferences. Not going back beyond 1920, one finds that Mr. King, as leader of the opposition, referred in the House of Commons to the desirability of securing an amending procedure. The matter was debated at that time but no satisfactory procedure was suggested, and it was allowed to drop. In 1924 Mr. Woodsworth moved a resolution in that sense in the House of Commons. In 1925 Mr. W. F. Maclean moved that the parliament of Canada should be empowered to amend the British North America Act, but not empowered to pass any amendment affecting the rights of minorities.

In 1927, there was a debate on a similar motion, and the late Mr. Lapointe led a discussion on amending procedure. He pointed out that the position was not consistent with Canada's status as a self-governing dominion. A proposed procedure was discussed, but no agreement was reached and the matter was dropped. Then there was an exchange of correspondence between the late Mr. Bennett and the then premier of Ontario, Mr. Ferguson, in 1930 which arose out of the proposed Statute of Westminster. In 1931, Mr. Woodsworth again moved:

> That, in the opinion of this house, it is desirable that Canada should have the right to amend her own constitution, but that in proceeding to make any amendment, scrupulous care should be taken to safeguard the rights of minorities.

The matter was discussed at that time but allowed to drop after a very interesting discussion which hon. members will find in the report of the debates of the session of 1931.

In 1935 a resolution was passed by the House of Commons in the following terms:

> That, in the opinion of this house, a special committee should be set up to study and report on the best method by which the British North America Act may be amended so that while safeguarding the existing rights of racial and religious minorities and legitimate provincial claims to autonomy, the dominion government may be given adequate power to deal effectively with urgent economic problems which are essentially national in scope.

Mr. Smith (Calgary West): What date was that?

Mr. St. Laurent: January 28, 1935. A committee was set up. It heard witnesses, and on the 19th of June brought in a report making no specific recommendation as to amending procedure, but recommending that a dominion-provincial conference be held to consider the adoption of a recognized yet flexible method of amending the constitution. It further recommended that the minority rights agreed upon and guaranteed by the provisions of the British North America Act should not be interfered with.

The dominion conference was held in 1935, from December 9 to December 13. The conference appointed a subcommittee on constitutional questions to discuss the revision of the British North America Act and to try to reach agreement on future action with respect to social legislation. The subcommittee

submitted a report, and a continuing committee on constitutional questions was set up, which met on January 28, 1936, and constituted a subcommittee which worked on the matter from January 30 until February 11, 1936. This subcommittee prepared a report in which it recommended that in respect of matters concerning the central government only, amendments might be made by passing an act of parliament; that, in respect of matters concerning the central government and one or more but not all the provinces, the amendment might be made by an act of parliament and the assent of the legislative assemblies of each of the provinces affected; that, in respect of a large number of matters concerning the central authority and all the provinces, the amendment might be made by an act of parliament and the assent of the legislative assemblies in two-thirds of the provinces representing at least fifty-five per cent of the population of Canada; but that there be a certain number of "entrenched clauses" which could not be dealt with except by an act of parliament and the assent of the legislative assemblies of all the provinces.

General agreement could not be obtained and the matter was dropped. It received some discussion in 1940 when a proposal to amend the British North America Act was brought forward, and again in 1943, 1946, and 1949, but without any definite results being achieved.

In considering one of these amendments in the British House of Commons Mr. A. P. Herbert was reported as follows:

> The necessity for action was clear to everyone. But the view was very general that nothing could be done.

As a matter of fact nothing has been done about that procedure for the eighty-two years which have elapsed since the proclamation of the act on July 1, 1867.

Mr. Diefenbaker: What date was that?

Mr. St. Laurent: I have not the exact reference here. I think it was in the discussion on the terms of union.

Mr. Diefenbaker: Redistribution.

Mr. St. Laurent: In a national broadcast on May 19, I ventured to say:

> The record of Canadians in two world wars demonstrated beyond any question our ability and our capacity to bear the responsibilities of full nationhood. But our adult nationhood is not yet fully recognized in our constitution and our laws... A method should be worked out to amend our constitution in Canada.
>
> That won't be easy. We do not want the Canadian constitution to be too rigid, but we do want to make sure it contains the fullest safeguards of provincial rights, of the use of the two official languages, and of those other historic rights which are the sacred trusts of our national partnership.
>
> It is our intention, after the election, to consult the provincial governments with a view to working out a method, which will be satisfactory to all Canadians, of amending the constitution in Canada.

That was before June 27. Since then my colleagues and I have felt that we have a responsibility to accomplish as much as can be accomplished. That is why this resolution is now before this House of Commons. In a previous debate the hon. member for Broadview (Mr. Church) said that it was the accomplishment of an electoral promise. I do not blush for that. It is. Few promises were made, but, as to those which were made, we feel that a serious attempt should be made to implement them to the full.

In suggesting a procedure with regard to amendments, we take it for granted that, in the Canadian federation, constitutional matters fall into three particular classes. There are those matters which are of concern to the provinces alone and not to the federal authorities, such as the constitutions of the provinces themselves in respect of everything that is within their control. Hon. members know that from the very inception the provinces have had the right to deal themselves —each one of them, independently of anybody else—with the amendment from time to time, notwithstanding anything in the act, of the constitution of the provinces except with regard to the office of lieutenant governor. Several provinces have made use of that provision to bring their provincial constitutions more in harmony with what the representatives of those respective provinces felt to be the conditions then prevailing. Likewise there are matters which concern the federal authorities alone and which are of no concern to the provinces. It is with respect to those matters that, upon eight of the eleven occasions on which amendments were enacted by the parliament at Westminster, that parliament had to deal. In 1907 it was a matter of the provincial subsidies, which were of concern to all the provinces. In 1940 the proposed amendment had to do with the transfer of jurisdiction in certain matters from the provincial authorities to the federal authorities. In those two cases the provinces were concerned, and though in one case one of the provinces did not agree, the amendments were made. In 1930 the amendment concerned the western provinces only. In the other cases the amendments were made on the request of the houses of the Canadian parliament, because it was felt that they were matters which dealt with subjects assigned to the jurisdiction of the federal parliament.

There are other classes of matters which are of concern to both the federal and the provincial authorities. This resolution deals

only with matters which concern exclusively the federal authorities. It requests that there be inserted in section 91 of the British North America Act a provision similar to that which is in section 92 of that act with respect to provincial constitutions, and that it be declared that this parliament may itself, by its own responsible action, implement the decision it arrives at with respect to amendment. Heretofore the decision has been arrived at here, but the amendment has been officially made by the action of another parliament. All this resolution seeks to do is to have it declared that henceforth amendments of that kind can be made by this parliament instead of being requested by this parliament and made effective by the parliament at Westminster. Great care has been taken to avoid any possibility of infringing upon provincial jurisdiction, upon the rights of provincial legislatures or provincial governments, upon the fundamental principles dealing with schools or with the use of the two official languages of this country. Care has been taken to avoid making any declaration as to where the dividing line might strike matters which are of provincial jurisdiction, those which are of federal jurisdiction, and those which are of joint concern to federal and provincial authorities.

Under the proposal contained in this resolution the parliament of Canada will be in the same position with respect to its constitution as the legislatures have been for the last eighty-two years with respect to their provincial constitutions.

If under the pretext of making an amendment to a provincial constitution a provincial legislature had attempted to impinge upon something which was within federal jurisdiction, the courts of law would have declared its attempt unconstitutional and invalid. Likewise, if after this amendment is adopted any parliament of Canada at any time attempts to do something which a provincial government or, in fact, anybody else, says impinges upon the jurisdiction of the legislature or upon the rights or privileges guaranteed to legislatures or provincial governments, or upon any of the safeguards over school matters or the use of the official languages, the legislation can be challenged before the courts, and the courts can and will decide whether or not it is something within the jurisdiction of this parliament, something which impinges upon the jurisdiction allocated to another body, or upon the rights guaranteed to another body.

It has been felt that that was all we could attempt to do without agreement with the representatives of the ten Canadian provinces, and that we should do at once everything we had the right to do. It was felt that we should then discuss with the provincial authorities the establishment of a proper procedure, one which would be looked upon as proper and safe by each one of them and by ourselves, to bring to Canada the remaining vestige of legislative jurisdiction by the parliament of another country over the domestic affairs of the Canadian nation.

I invite the close attention of hon. members to the terms of the suggested change in the British North America Act. They would do well to compare it with the terms of class 1 under section 92 of the act. It will be noticed at once that the resolution does not contain, as is contained in class 1 of section 92, the words, "notwithstanding anything in this act". That is because it is unnecessary. Those words are in the first portion of section 91, which reads:

> It shall be lawful for the queen, by and with the advice and consent of the Senate and House of Commons, to make laws for the peace, order and good government of Canada, in relation to all matters not coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces; and for greater certainty, but not so as to restrict the generality of the foregoing terms in this section, it is hereby declared that (notwithstanding anything in this act) the exclusive legislative authority of the parliament of Canada extends to all matters coming within the classes of subjects next hereinafter enumerated; that is to say—

And class 1 thereof will be:

> 1. The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces, or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province, or to any class of persons with respect to schools or as regards the use of the English or the French language.

As I stated on a previous occasion, when the speech from the throne had been prepared letters were dispatched to the premiers of the ten Canadian provinces, informing them of the intentions of the government—and I have tabled the replies today—to seek immediately a declaration that parliament can deal here in Canada with all those matters which do not trench upon the jurisdiction of the legislatures, or upon the rights guaranteed to the legislatures, or upon educational rights or the use of the official languages, and would immediately after the session seek a conference with them to determine a proper procedure to make all such amendments as could not be made by a provincial legislature under class 1 of section 92, or by a federal parliament under the new class 1 of section 91, and would seek to have a procedure established which for the future would determine how amendments which, from time to time, may be necessary can be effected.

I confess at once that this method of proceeding does clash with the effect sought to be given by many to the compact theory of confederation. According to them there is not a word, not a comma, in the British North America Act that is not of a contractual nature among at least the four so-called original provinces, and that nothing therein can be changed without obtaining their prior consent, unless one wishes to incur the charge of committing a breach of contract.

I have recited to the house what has been done in the past in that respect. Here we are seeking a declaration whereby only such amendments as deal with matters within the exclusive concern of the federal authorities can be made in the future, as they have been made in the past, without consulting the provinces, but that they can be made here. To that extent, but only to that extent, does this create a new situation. It does not change anything at all, except the venue where the amendments can be made. They have always been decided here, in this parliament, without recognizing the necessity or the obligation of consulting the provinces or getting their consent; and in the future, with this in the act, they will continue to be made without consulting them or getting their consent. But instead of having them decided in one place and registered in another, they will be registered and made effective in the place where they are decided; and they will be registered and made effective for the Canadian people by representatives of the Canadian people in a Canadian forum.

Mr. George A. Drew (Leader of the Opposition:) Mr. Speaker, first of all may I say that the review by the Prime Minister (Mr. St. Laurent) of the background of the subject matter now under discussion is most helpful in considering a subject that perhaps is not generally understood and not fully recognized by many people as having the importance it really does have for every Canadian. So far as the record itself is concerned, I think the review given by the Prime Minister can be taken as one which will be agreed upon by hon. members, but a number of the points made by the Prime Minister serve to emphasize the tremendous importance of this subject and the necessity of dealing with it on the basis of a recognition of the fact that this is not merely a question of what power or legislative authority the parliament of Canada possesses; it is also a question of future good will and harmony and understanding between the dominion and the provincial governments which collectively make up our federal system.

I do not believe there is the slightest difference of opinion anywhere in this house as to the amendment of the Canadian constitution being made in Canada by Canadians for Canadians in a way that will be best for Canada at all times. That is not a subject that is in issue; it is not a subject to which the thoughts of hon. members should be devoted in the present discussion. We start by agreeing on that basic proposition. I feel sure that there is general agreement—I would imagine unanimous agreement—as to that basic approach to the problem.

I do not think there is any question of national sovereignty involved in this discussion. There has been agreement in this house for many long years that the Canadian constitution should be amended in Canada. But there has been a great deal of discussion and considerable difference of opinion as to the method by which the constitution should be amended in Canada by the parliament of Canada for Canadians.

The Prime Minister has referred to a statement that he made in May. I believe I am correctly quoting the words he used earlier when I say that he said: "A method should be worked out to amend our own constitution." The right hon. gentleman then went on to say—and in this case I am not attempting to quote his exact words, but I believe I give the effect of them: "It is our intention after the election to consult the provinces as to the method by which amendments to our constitution shall be made."

That was the undertaking; that was the basis upon which this government received a mandate. This government received a mandate to proceed with the question of amendments to the constitution after consulting the provinces, and only after consulting the provinces. Any attempt to deal with amendment of the constitution without first consulting the provinces is in itself a repudiation of the very statement to which the Prime Minister has himself referred.

Even assuming that there could not be the slightest question about the authority of this parliament to deal with amendments to our constitution in any aspect without consulting the provinces, there are the strongest reasons why it is desirable to consult the provinces. To do so is in the interests of future harmony in Canada, in view of the statements which have been made already by some of the provincial premiers on behalf of the governments chosen by the people of those provinces.

May I quote what I think is a clear statement of the position taken by some of the provincial premiers and others who may not be in an official position. A letter was written on October 12 last to the Prime Minister of Canada by the premier of Alberta in response to a letter which the Prime Minister has

written to the premiers of all the provinces. I quote the last two paragraphs of a letter written by Mr. E. C. Manning, as follows:

I would like to refer particularly to your observation that it is the intention of parliament at the present session to request an amendment to the British North America Act by the United Kingdom parliament which would vest in the parliament of Canada the authority to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces.

While this may appear to be a matter of concern only to the dominion government, my colleagues and I feel strongly that the amendment proposed concerns the provinces as well in that federal policies initiated under future amendments to the British North America Act, which the dominion parliament might make within its constitutional sphere, could well have far-reaching effects on the economy of the provinces. Furthermore the privy council has held that under the British North America Act all powers have been vested in either the provinces or the dominion. It is difficult, therefore, to see how a situation could arise where any amendment to the British North America Act would affect dominion powers alone without, at the same time, affecting at least to some degree the rights of the provinces. We feel it is extremely important, before any amendment is made to the British North America Act, even in the field of federal jurisdiction, that the whole question of dominion versus provincial jurisdiction be fully discussed at a joint meeting of representatives of the dominion and provincial governments. We strongly urge that this whole matter be held in abeyance pending the conference which you propose to convene at the close of the present session of parliament. It seems to us that this is the only way in which future conflict can be avoided and the unity of Canada, which we all desire, preserved and strengthened.

I believe that the premier of Alberta in those words has put forward one of the clearest and most cogent arguments in favour of withholding any action until the representatives of the dominion and the provincial governments have met so that the whole field may be explored, not only because of any question as to the constitutional authority of the Canadian parliament but so that any future misunderstandings might be avoided by the discussions which would take place in that way.

It is because of the points put forward in the letter of the premier of Alberta, which I have quoted simply because they express what I believe is the general sentiment of many who have given this subject considerable thought, that I believe the government would be well advised to defer action on the resolution, and to have a meeting with the provinces to discuss the whole subject. Then amendments to the constitution could be dealt with as one subject and not piecemeal in the way that it is now proposed.

The suggestion is too often made that there is difficulty in obtaining an effective agreement between the governments of Canada. I think it might be well if it were remembered how wide the measure of agreement really is that has been reached by all the governments of Canada on many important problems of administration and legislative authority. I could review many of them. I think one of the best examples is the measure of agreement which was reached in regard to the education and rehabilitation of our veterans after the last war. There is an example of the kind of agreement that is being reached constantly between the dominion and provincial governments. The provincial governments handled the whole of the educational and rehabilitation programs under broad plans worked out in consultation with the dominion government. It worked with complete satisfaction not only to the governments but I am sure to practically all of the many thousands of young men and young women who availed themselves of the courses developed in that way.

A wide measure of agreement has already been reached in regard to certain aspects of forest supervision, which have not awaited the measure now before the house. I think the evidence is fairly conclusive that it is possible to reach an agreement as long as a continuing effort is made to do so. The particular matter we are dealing with is something that the Prime Minister (Mr. St. Laurent) has described as one of the most important subjects brought before the house for consideration since confederation. For that reason I think the possibility of agreement should be fully explored in the manner that has been suggested in the letter from which I have quoted.

The Prime Minister has referred to a number of occasions on which this subject has been discussed. The fact that it has been discussed on those occasions is the best evidence that we are not discussing a new subject. It is the best evidence that there has been agreement for years that this parliament should have the power to amend our own constitution within Canada. The fact is that there has been full power to amend the constitution. In many long years there has not been a case where any question has been raised as to representations made with regard to amendments of the British North America Act.

One question which has held back the dealing with this matter entirely by the parliament of Canada has been the failure to find a procedure. That subject was explored very carefully in 1935. I think it is well for us now to remember what took place at that time because the proceedings started under the government headed by Mr. Bennett, and

were carried forward under the government headed by Mr. Mackenzie King. Both those governments, made up of different political parties, were agreed that there should be full power to amend in Canada, and that the one question about which they were concerned was the procedure.

On February 12, 1935, a select committee was appointed to inquire into the possibility of amending our constitution, and four important conclusions were reached by that committee. I should like to refer to them, because I think they indicate what the problem appeared to be at that time, and how the matter was approached. The committee reported as follows:

> The committee recognizes that there is a divergence of opinion with respect to the question of whether or not the British North America Act is a statutory recognition of a compact among the four original provinces of the dominion and as to the necessity or otherwise of provincial concurrence in amendments. Without expressing any opinion upon that question, the committee feel that in the present case and at the present time it is advisable in the interest of harmony and unity that there should be consultation with the provinces with respect to the adoption of a definite mode of amendment or the enactment of amending legislation which might seriously alter the legislative jurisdiction of the provinces and the dominion.

The committee further recognized the urgent necessity for prompt consideration of amendments to the British North America Act with reference to a redistribution of legislative power and to clarify the field of taxation. The committee further expressed the opinion that before any decision upon the subject matter is finally made the opinions of the provinces should be obtained, and recommended that a dominion-provincial conference be held to study carefully the adoption of a recognized yet flexible method of amendment. The committee definitely expressed the opinion that minority rights agreed upon and granted under the provisions of the British North America Act should not be interfered with.

These four recommendations apply just as strongly today as they did in 1935. They are recommendations made by men who believed that there should be the power to amend our own constitution in Canada without reference to an authority outside our own country, but they pointed out certain safeguards that they thought should be recognized as the best way to avoid any future misunderstandings which might undermine the effects of what they were seeking to achieve in the best interests of their country.

As a result of that recommendation a conference met in December of 1935. That conference adopted a resolution which was introduced by the then premier of Quebec, Hon. L. A. Taschereau, K.C., who was attending both as premier and as attorney general of his province. This was the resolution he placed before the conference, and which was adopted:

> This conference, in the interests of the dominion and of the provinces, is of the opinion:
>
> (a) That amendments to the British North America Act are now and subsequently may be necessary and imperative.
>
> (b) That, as in the case of all the other self-governing dominions, Canada should have the power to amend the Canadian constitution provided a method of procedure therefor satisfactory to the dominion parliament and the provincial legislatures be devised.
>
> (c) That the Minister of Justice convene at an early date a meeting of appropriate officials of the dominion and of the provinces to prepare a draft of such method of procedure to be submitted to a subsequent conference.
>
> (d) That a conference be held at an early date after such draft has been prepared to consider such a method of procedure.

I would point out that this resolution, presented by Mr. Taschereau and approved by the representatives of all the provinces and of the dominion, emphasized that a method for amending the constitution—the whole constitution, not just part of it—should be devised by representatives of the dominion and provincial governments before any steps were taken to amend our basic constitution, which is the British North America Act. After all, that proposition is just as strong today as it was then. The reasons which prompted Mr. Taschereau to introduce that motion and which prompted the representatives of all the governments to approve it are reasons which I suggest to hon. members make it desirable that this motion should not be proceeded with until after the conference, which is to take place after the termination of this session, in regard to limited aspects of the constitutional problem.

It does not seem to me that a single argument has been placed before this house to indicate why this matter cannot very well stand over until that time. What is the urgency? There is no suggestion that we must assert our sovereignty, or declare that we are no longer under any limitations. We have asserted that; we have demonstrated that, and we all believe it. There is no situation now confronting this country which makes necessary or advisable such an assertion of our position to the outside world. We have full power to amend now; and we are concerned with the future of Canada, not with what any people outside Canada may think of the form of procedure. Having regard to the best interests of Canada, then, we should follow the course most likely to avoid any misunderstanding or dangerous conflict of opinion in the future. In view

of the statements already made by some of the provincial premiers with respect to the misunderstandings that may follow this piecemeal approach to the amendment of our constitution, I believe a very dangerous step will have been taken if this resolution passes and the provincial representatives are called together only after this has become a *fait accompli*, after this positive and definite step has been taken. Then they will be told, "Well, now we are prepared to discuss with you what remains".

That is not the way to deal with this question. It is one constitution; but in effect this resolution would tear that constitution in two. Much has been said about asserting our complete independence of any outside jurisdiction. Well, let us assert it; but we are not doing so by this procedure. This resolution merely provides for amendments within a partial field, leaving the remainder of the constitution in such a position that until the discussions with the provinces have taken place we must still go to the same authorities. If that is the important consideration—and it is suggested that it is—then surely it is best to wait until the whole problem has been examined and then deal with it once and for all, ending the necessity of reference to any outside authority in the whole field, not just in part. Unfortunately in the face of statements already made by some of the provincial premiers the possibility of reaching agreement in the remainder of the constitutional field may not be as good as it would be if the recommendation to which I have just referred were followed and the whole matter allowed to stand until the representatives of the dominion and provincial governments could come together, discuss the whole subject and seek to find a procedure satisfactory to all.

Again reference has been made to the fact that there is a difference of opinion between those who believe in the compact theory and those who hold that this is a statute. Of course the British North America Act is a statute. That argument has been worked to the limit, and really has no validity. The British North America Act is a statute; but it is a statute which interpreted in statutory form the agreements, the compact, call them what you will, reached in Quebec by the representatives of the governments who joined to make Canada one nation. Certainly, there was a compact and there was an overall agreement. Is it possible for any hon. member of this house to conscientiously assert that this country would have become one nation unless those who made and presented their resolutions at Quebec, prior to the presentation of the opinion of that conference to Westminster, had believed that this was a binding agreement as to certain basic principles which would be strictly observed in the future?

One might argue about the dictionary definition of the word "compact", but surely that is a compact in the ordinary understanding. We do not need to argue that further. Here is a statute which interprets the basic understanding in the minds of those who said, "It is upon this basis we are prepared to join in forming one nation in Canada." It seems that it would be highly desirable, in any way possible, to avoid any arguments that could be made that this parliament is disregarding those common understandings reached at that time. Even if hon. members of this house do not think the arguments put forward in support of the compact theory are right, even if they do not think the theory is based upon a sound interpretation of our constitutional position, it would be much better to avoid any possibility of a misunderstanding. It should be recognized that there are those who sincerely believe in the compact theory, and whose views can only be dealt with in a way that will avoid future misunderstanding if this meeting takes place before any amendment to the constitution is undertaken.

The Prime Minister has pointed out that the difficulties that have arisen in the past have been with regard to procedure. Certainly, all the difficulties have been in regard to procedure, and it is for that reason the proposed course should not be followed. The course proposed by this resolution does not provide any procedure whatever, but is worded as though there were only two fields of legislative and administrative responsibility. There are, in fact, three, as the Prime Minister pointed out. He has pointed out that there are, first of all, those things which are beyond question within the jurisdiction of the dominion government. There are those that are unquestionably within the jurisdiction of the legislatures of the provinces. Then, there are those matters in which there is a common concern and a common responsibility shared by the dominion and provincial governments.

There is something more, however. For years there has been a repeated emphasis upon the need for a review of the responsibilities of the dominion parliament and the provincial legislatures, as well as the division of taxing power, which would give to the governments responsible an independent discretion to deal with the powers that are actually conferred upon them. To an extent that is often not fully appreciated, a provincial government may have full legislative power as well as full administrative responsibility, yet if its taxing powers are limited

those responsibilities cannot be carried out because the government has not the necessary revenues to do what should be done on behalf of the people.

The main consideration prompting the appointment of a royal commission, which was presided over first by Mr. Justice Rowell and later by Mr. Sirois, was the division of that responsibility. The report of that commission was directed to the need for a definition of responsibility and a definition of the taxing powers of the governments concerned. Under such an amendment as is now proposed, the dominion government might make amendments in the field of taxation which it would be contended were entirely within their jurisdiction. From the practical point of view, such an amendment might make it impossible for the provinces to carry out some of their responsibilities, no matter how little doubt there might be that those were exclusively within provincial jurisdiction.

In the resolution before the house, reference is made to education. Perhaps there is no single matter of greater concern to every province in Canada than education. It is the basis upon which the future of our country is built. It will be of little use to the provinces to retain full control over education unless they have the revenues to do the things they feel should be done in the interests of the people of the provinces. If the dominion government exercises the taxing powers to the extent that the provinces are unable to raise their revenues for this purpose, then indirectly the dominion government becomes the overriding power which is in a position to say, not only that this is the amount of money a province will receive, but this is the manner in which the money shall be used. There is not an hon. member in this house who does not know quite well that there is a general tendency for people to say, if money is being provided by one treasury for another, then the treasury providing the money should have some say as to how that is to be spent.

Consequently, by the process of amendments relating to taxation, fields of exclusively provincial jurisdiction may be effectively invaded, and invaded in a very dangerous manner, even though that might not be the intention of any member of this government. As this government looks around and sees the large numbers of its supporters in this house and feels the confidence inspired by that representation, it would be well for them to realize that there will be many other governments in the years ahead. It should be the purpose of the parliament of Canada to make certain that the course which is followed is not one which opens up dangers in the future, no matter how confident any government of the day may be that it would not abuse those powers. Of course, the extent to which a government might not abuse those powers is a subject upon which there might be a divergence of views.

The fact remains, however, that this is something which will affect the whole future of Canada. Great caution should be exercised to see that the door is not opened to a procedure which would centralize in Ottawa effective control of matters that were intended to be under provincial jurisdiction, through the indirect method of gaining control of the purse strings of the provincial governments, which is a very real and immediate possibility unless a conference meets soon to deal with the particular problems of taxation and allocation of responsibilities.

I need not remind any hon. member of this house that the present agreements under which a number of provinces receive payments are not agreements that resulted from conferences. They are agreements that resulted from the acceptance by those provinces of terms stated here in this House of Commons. Long before those agreements terminate it is essential that the whole problem of taxation be considered, as well as that of responsibility and jurisdiction. The time to do that is while this matter is up for consideration so that we deal not only with the constitutional matters but with the incidence of the constitutional problems which measure the practical ability of the governments to carry out what the constitution says they must do.

This present motion assumes the possibility of clearly defining that dividing. I recall that the Prime Minister (Mr. St. Laurent) has said that, if there was any doubt about that, the courts could decide. But in many cases that may be an imaginary relief; because if the dominion government goes ahead and places before parliament amendments which would concentrate the taxing power and would remove from the provinces that measure of independent taxing authority which is an incident of their ability really to govern, they might be placed in the position in which they would be forced to accept agreements, as some provinces were, simply and only because, according to the statements of the premiers of those provinces, they did not feel they could help doing so because of the financial point of view.

By all means let us have a flexible constitution adjusted to the needs of this adult, growing nation. By all means let us have a constitution that is up-to-date in every respect. But we do not achieve that result by this piecemeal procedure or by tearing

the constitution in two and saying: Let us take the power to amend in regard to this part; then having done that, let us meet the provinces to see how we can deal with the rest. We shall achieve the result which the Prime Minister has said to be the purpose of this resolution only by covering the whole field at one time.

The Prime Minister accurately and fully has reviewed the difficulties which have arisen in the past. He has referred to the fact that charges have been made that improper procedure had been followed. There is not an hon. member of this house who has been reading the press or who has read the letters that have been sent in who will not be aware that there is every possibility of further charges of improper procedure being made if this course is continued; because that is the clear indication disclosed by those letters and statements that have already been made. As the Prime Minister himself has said, the result of the absence of an understood and clearly-defined procedure has led to controversy as to methods. Nothing that is now before the house meets that situation in any way. Yet that is a situation which we should all try to meet.

Referring to the discussion earlier this year with regard to the Newfoundland agreements and the statutes, the Prime Minister said that it was not clear whether consultation means consent. After all, this is a subject on which men of good will and good judgment can best determine how they can proceed when they meet together and discuss this problem. Until they do so, no one in this house is in a position to say what measure of agreement can be reached or what procedure might be suggested.

The fact is that the conference that met in January, 1936, went a long way toward reaching unanimity as to procedure. The fact that agreement was not reached is no evidence that agreement cannot be reached, because this matter was not brought forward in a purely constitutional conference. It was again brought up in a conference in 1940 when a number of other subjects were under consideration and when the conference did not deal first with this one but with others upon which great difficulty was experienced in reaching agreement. So it has been in other cases. This matter is sufficiently important that a conference should be called for the sole purpose of dealing with it, of reaching agreement, and of reaching agreement with regard to the whole field.

There is one other point that has been mentioned on other occasions as well as today. The Prime Minister pointed out that ever since 1867 the provinces have had the power to amend their constitution, and that what is now proposed is only giving to the parliament of Canada the right of amending, a right which the provincial legislatures have possessed for more than eighty years. But there is a vast difference in the situation. The provincial legislatures carry on their duties within the definite limitations of section 92 and other limiting sections of the British North America Act. Their power to amend their constitution is strictly limited in that way, and in effect deals only with procedural matters and details of that kind. But under the British North America Act, in addition to the specific authority that was conferred upon the parliament of Canada, all the residuary powers which had not been dealt with by the act were conferred upon that parliament. Therefore this amendment covers the whole broad field, including its effect upon provincial responsibilities and administration as well as upon the dominion field.

May I once again quote the words of the premier of Alberta in the closing part of his letter, because I believe they put in simple form something that should be in our minds now.

> We strongly urge that this whole matter be held in abeyance pending the conference which you propose to convene at the close of the present session of parliament. It seems to us that this is the only way in which future conflict can be avoided and the unity of Canada, which we all desire, preserved and strengthened.

Assuming for the sake of argument that every hon. member in the house is in complete agreement with the arguments put forward by the Prime Minister (Mr. St. Laurent), I still believe that this matter should stand, in view of the fact that the wholehearted concurrence and co-operation of every provincial government and every provincial legislature is so essential to the strengthening of our domestic structure within Canada, during one of the most critical periods in our national history.

No country in the world offers to its people greater opportunities than this country offers to every Canadian today. But the full realization of our vast opportunities to a very great degree depends, in this vast country of ours, upon effective and real co-operation between the dominion and provincial governments, and the parliament of Canada and provincial legislative bodies, no matter of what political persuasion those governments may be.

We are here dealing with the future of Canada, which depends upon that kind of good will and understanding. In view of the statements which have been made, I urge every hon. member to think of the unnecessary disputes which may result if the course now proposed is actually followed, no matter how right the Prime Minister may think he is in the arguments he has put forward, nor

how right hon. members supporting him may believe he is in the statements he has made.

The question of co-operation is a real, practical and fundamental principle, one which is vital to the fulfilment of the very purpose the Prime Minister has stated to be in his mind and the minds of his colleagues in offering this resolution. It is for that reason that I move, seconded by the hon. member for Lake Centre (Mr. Diefenbaker):

That the said proposed resolution be amended by striking out all the words after the first word "that" and substituting therefor the following:

"That His Excellency the Governor General in Council be requested to convoke as soon as may be possible a constitutional convention of representatives of the dominion and provincial governments to devise a method of amending within Canada the constitution of Canada, and of safeguarding minority rights; so that such method may become the subject later of an humble address, when adopted, to His Majesty the King praying an amendment of the British North America Act, 1867, accordingly."

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, in common with all hon. members I realize that this is a most important debate, and that we are discussing this afternoon an important resolution.

First of all however may I offer the suggestion to the Prime Minister (Mr. St. Laurent) that in view of the importance of the subject, and of the correspondence with the provincial premiers, it might be well if the letters tabled this afternoon were printed as an appendix to today's *Hansard*. I make this suggestion because, in following a debate of this description, references are made to communications. Unless those communications are printed in *Hansard*, many of the people who receive *Hansard* could not follow the discussions.

May I ask the Prime Minister if he would agree to my suggestion?

Mr. St. Laurent: If there is no objection from any hon. member I should be glad to accept the suggestion of the hon. member for Rosetown-Biggar, and ask Mr. Speaker to instruct the editor of *Hansard* to print the letters as an appendix.

Mr. Speaker: Does the suggestion meet with the unanimous approval of the house?

Some hon. Members: Agreed.

Mr. Coldwell: The two speeches to which we have listened this afternoon have been of a very high order, one which I suggest does credit both to the subject under discussion and to the House of Commons. The Prime Minister has placed on record an historical review of our constitution, both prior to the adoption of the British North America Act, and the events which occurred subsequently. His plea is that we shall take unto ourselves in this parliament the right which parliament should possess to deal with matters specifically assigned to this legislative body, and to safeguard the rights of minorities as set forth in the British North America Act. With that position we of the C.C.F. are in agreement.

I am not going to discuss the amendment, because the leader of the opposition (Mr. Drew) did not develop the idea which he suggests in his amendment. He did not tell us how the constituent assembly implicit in the amendment would be established, or what procedure would be followed in implementing the amendment. If for no other reason, we could not vote for it.

However, for another reason I shall not discuss it. I believe that under the rules of the house Mr. Speaker, after taking it into consideration, may consider whether or not it is in order.

We have heard a great deal this afternoon about the early days of our confederation. Not as a lawyer but rather as a student of Canadian history let me say that I have always been struck with the manner in which the fathers of confederation immediately after 1867 viewed the British North America Act. This afternoon the Prime Minister drew to the attention of the house the fact that in 1871 the government of the day, which consisted of the fathers of confederation, actually took upon itself the responsibility of requesting the parliament at Westminster to amend the British North America Act, without any reference to the House of Commons and the Senate of Canada, or any reference to the provincial legislatures.

That action was criticized on the floor of parliament. In 1875 something similar was done. When we look through the records following confederation I think it is perfectly clear—I am not dealing with subsequent interpretations of the law; I am leaving that out altogether—that obviously the fathers of confederation did not hold the view that has been expressed this afternoon by the leader of the opposition (Mr. Drew) and which is sometimes expressed by some other people, that in order to amend the British North America Act the provinces must be consulted. That is what is known as the compact theory.

The leader of the opposition remarked that the provincial legislatures may amend their own constitutions. Indeed they may amend their own constitutions in every particular except that touching the appointment of the lieutenant governor. If it is argued that the provinces should be consulted if we propose to amend the constitution of Canada in matters assigned specifically to the parliament of Canada because what we propose to do may affect the welfare, the

rights and the economies of the provinces, it seems to me that by the same token it might be argued that this parliament should have the right to be consulted if any amendment is to be made to the provincial powers or, if we care to call them that, to the provincial constitutions. However, no one argues that opinion because obviously it would be untenable. I think that we have in this parliament the right to deal with all matters assigned to us and hence should also have the right to amend the constitution in relation to them.

There was some validity to the argument of the leader of the opposition that it is unfortunate that this is being done in a piecemeal manner. I do not know the minds of members of the government in this particular, but I presume something like this is in their minds: In the past the dominion-provincial conferences dealing with dominion-provincial relations have been abortive and consequently, when this parliament takes to itself the right to amend the constitution in connection with those particulars that affect only the rights of this parliament, it is an indication to the provinces that this parliament is determined to do everything in its power to bring about a satisfactory method of amending the constitution generally. That is what I think.

In that connection the leader of the opposition spoke of the powers of taxation and expressed the fear that we might infringe upon certain rights of the provinces in regard to taxation. I am sure that this parliament has no desire of infringing upon the rights of the provinces in that field. Let me point out that under section 91, subsection 3, of the British North America Act this parliament is empowered to raise money for the country by any method it decides to use. Consequently it seems to me that the argument of the leader of the opposition in that particular falls to the ground.

However, in taking the right to amend our own constitution there are some fears that we might legitimately have in our minds. I am not going to deal with all of them, but let me say that when we have the right to amend our own constitution in the particulars involved in this resolution there will be nothing to prevent this parliament from perpetuating itself beyond five years. This parliament could amend the sections of the appropriate acts to prolong the life of parliament to seven years, to ten years or beyond. I think we should safeguard ourselves somehow in that particular.

I say that, because the legislatures have done exactly that. A few years ago the legislature of the province of Ontario extended its life by one year, with the consent of all the parties in the legislature. Then it proceeded to extend its life another year. I fancy the present leader of the opposition was the leader of the opposition in the Ontario legislature at that time, and if my recollection is correct the second extension of one year was not agreed to by the opposition parties. A Liberal government of Saskatchewan, against the bitter criticism of the opposition, took unto itself in 1943 the right to extend the life of the legislature for one year beyond the five years' limitation.

I think the real power of the people is in their right to elect their parliaments and legislatures, in their right to statutory periodic elections. It seems to me that in dealing with this matter, and it should be thought of, we should see to it that when we amend our constitution we do not jeopardize a right of this description. We should safeguard ourselves in connection with important matters of that sort.

We should see to it that we provide for measures of parliamentary reform. As hon. members know, we believe that the time has come when the condition of the other place warrants its abolition, but in any event we should see to it that Canada has the right to amend it under the proper conditions and in important particulars.

The main point I want to make this afternoon—the other points in connection with this matter have been well made by both the Prime Minister and the Leader of the Opposition, and I do not propose to reiterate what they have said—is that I do not think under the circumstances, and in view of what has happened in recent years in dominion-provincial negotiations, that we should heed the plea for further delay. The idea has grown up in this country over a number of years, due in part to decisions of the privy council, that we should accept the view that the provinces must be consulted when we propose merely to take to ourselves the right to amend our constitution only in so far as it affects the affairs of this parliament itself. We do not accept this opinion.

If we look at the history of this country since confederation we find, for example, that we are told that at the Quebec conference agreements in the nature of a treaty were reached. My recollection is that there were seventy-two resolutions passed to guide the fathers of confederation when they went to London, but when they got to London they did not implement them. As a matter of fact, there was much discussion and finally compromises were reached. Even the Prime Minister (Mr. St. Laurent) said that there were four provinces at Quebec which gave approval to the resolutions requesting the

British North America Act, but there were only three. There were Canada, Nova Scotia and New Brunswick, although at the Quebec conference Canada was more or less divided into two parts, upper and lower Canada.

Let us not forget that before the British North America Act was passed Joseph Howe went to Great Britain with, I believe, one or two colleagues to make a protest to the imperial parliament, but without avail. I understand only two of the thirty-eight members elected to the Nova Scotia house after the British North America Act was passed favoured confederation. After that election Joseph Howe headed a delegation to London to protest and to ask the imperial parliament to set up a royal commission to review the whole matter of the entry of Nova Scotia into confederation. We all know what happened. The request was not granted.

I mention that because it indicates that there was no compact, no agreement. As we have seen, one of the provinces that came into confederation at the beginning bitterly opposed it subsequently and sent its ablest spokesman to London in an attempt to upset the British North America Act.

Mr. Black (Cumberland): He afterwards supported it.

Mr. Coldwell: He afterwards joined the government and supported it when he found that all protests were ineffective. I suppose as a good patriotic Canadian he decided that the best thing to do was to try to make the best of what he considered a bad job and help to make it a success. In any event he had failed to upset it. I think a very good summary of what actually happened can be found in volume II of a series of papers written some years ago and circulated widely across Canada. They were known as the Kingdom and Independence Papers. I used to get them from the very beginning. They were the work of the late John S. Ewart, K.C., of Ottawa, a man who, in the years prior to his death, which occurred in the early thirties, did a great deal to popularize the idea that Canada had become an adult nation and should take unto herself the attributes of sovereignty and nationhood, including Canadian citizenship, the abolition of appeals to the privy council, and the right to amend our Canadian constitution.

In the concluding paragraph of paper No. 5 in volume II this description of the British North America Act can be found:

> A statute arranged not in Canada but in England, by delegates from Canada who although bound by the Quebec resolutions departed widely from them; by delegates from Nova Scotia who were known not to represent Nova Scotia's wishes and the proceedings purposely kept secret from the people who might, by "reverberation" of it, be "stirred to its depths" in opposition, can hardly be regarded as a contract.

In support of the last statement, "kept secret from the people who might, by 'reverberation' of it, be 'stirred to its depths' in opposition", he quotes at some length a letter written to Mr. Leonard Tilley, one of the fathers of confederation, by Sir John A. Macdonald just before he left for London on the 8th of October, 1866. In his letter Sir John A. Macdonald says that great secrecy must be kept regarding the proposals and that in view of the forthcoming New Brunswick elections the least said about the proposals the better. That is the meaning of the reference of Mr. Ewart.

It seems to me it is in the best interests of parliament and of Canada that the resolution should be adopted by the house at the conclusion of the debate, and that we should not let the matter drag along interminably. I believe the people of Canada understand the situation very well. I think there was and is a good deal of resentment across Canada that the dominion-provincial conferences were not a success in other respects. As a matter of fact, I think that hon. members opposite to some extent owe some of the support they received in the election on June 27 to the fact that many people of Canada felt that way about it. Whether or not that be so, I think the time has come when we should support a resolution of this description.

The leader of the opposition (Mr. Drew) asked why we should adopt the measure right now, and whether it mattered what people outside the country might think about it. I think it matters a good deal because anyone who has attended an international conference, and perhaps has represented Canada at one or more of those conferences, or has represented Canada unofficially at some of the unofficial conferences, as I have had the privilege of doing from time to time over the last ten or twelve years, will know that again and again a Canadian is questioned in this regard. People say to him, "You say that you are an independent sovereign nation, but what is your final court of appeal?" Then the Canadian representative says, "It is the privy council in London". Then he is asked, "What is your constitution? Have you the right to amend it?" The answer is made that we have not. We also know perfectly well that in the early years of the United Nations, as in the league of nations before that, there were nations which were inclined to question Canada's right to act as an independent nation because they would constantly say that we were merely a colony of Great Britain, and that we had to do what the foreign office of the

United Kingdom said we had to do. The evidence they brought was our constitutional immaturity.

I think from the point of view of our external relations, from the point of view of the manner in which we appear in the eyes of the world outside our own borders, the time has come when, in so far as this house can do it, we should take the right to amend our constitution. I also think that we cannot leave the matter there. I do not think the government should allow the final amendment of our constitution in all particulars by Canadian legislatures—and I use the plural—to drag along indefinitely.

I believe every attempt should be made to tidy up the matter within the next year or so, to get a provincial conference together, and to finish the job in a proper and decent manner. I know there are tremendous difficulties in the way, but sooner or later not only the governments but perhaps—and this may be what the leader of the opposition (Mr. Drew) has in mind; I do not know—the parliament and the legislatures of the country may have to form themselves into a constituent assembly, where all parties would be represented and come to a conclusion. I do not think it would be wise to have a constitution drafted which would be predominantly a constitution of the Liberal party, or of the Conservative party, or of any other party. I believe the constitution of Canada should be one which will represent the consensus of Canadians as such, aside from their party differences and affiliations.

Mr. Speaker, we support the resolution.

Mr. Solon E. Low (Peace River): At the outset, Mr. Speaker, I should like to record the views of the Social Credit group on this very important question of constitutional amendment. We have not spent a great deal of time trying to decide whether the British North America Act is a pact or simply a statute of the parliament at Westminster. Whatever it may be declared finally, the fact remains that sections 91 and 92 set out a division of powers as between the dominion and provincial governments which since 1867 has served to guide those governments in the things they have attempted to do. With respect to a federal constitution, we believe the broad principles upon which the legislative powers were distributed between the dominion and the provinces under the British North America Act were generally sound. Jurisdiction over those matters of national concern was reserved exclusively to the dominion, while jurisdiction over matters with respect to which decentralized autonomy was considered desirable was reserved exclusively to the provinces. However, over the years many difficulties have arisen between the dominion and the provinces. I should like to cite just two or three of the main reasons for this, as I see them; and I do this because they involve some of the views we hold toward the proposal of the Prime Minister (Mr. St. Laurent) as it is contained in the resolution now before us.

In the first place, the British North America Act is a rigid constitution circumscribed by a statute of the parliament of the United Kingdom. Under it the distribution of legislative powers was laid down in the light of conditions existing at the time, that is, in 1867. Conditions have changed since then in a good many respects. I feel sure, as must most hon. members of this house, that the fathers of confederation could not possibly have foreseen the changes that have taken place, nor could they have foreseen the many problems that have arisen between the senior and the provincial governments as a result of changed conditions. But the fact remains that some of our present constitutional difficulties have arisen simply because times and conditions have changed. This in itself indicates that occasions requiring amendments are bound to arise; but we believe there is little that cannot now be done in the interests of the Canadian people, under the British North America Act as it stands, through earnest co-operation between dominion and provincial authorities. In those few cases where desirable and progressive things are actually being retarded because of the super-rigidity of the constitution, we think it desirable that amendments be sought; and we are quite in agreement that those amendments should be sought in Canada, through this parliament.

The second important cause of problems that have arisen is the fact that difficulties in fields of jurisdiction and responsibility as between the dominion and provincial government are not altogether due to the allocation of specific powers under sections 91 and 92. Very often they arise from interpretations; and the interpretations that have been placed upon the distribution of powers over the years have involved a good many classes of subjects. Considerable confusion has arisen because at different times in the past dominion governments have invaded various fields of provincial jurisdiction, or fields the provinces had come to believe were theirs exclusively, of course much of it under the pressure and exigencies of war. We believe this whole situation must be clarified permanently as soon as possible.

The first step in that direction, in our judgment, need not be the amendment of the constitution but rather the negotiation of a clear and definite understanding as to

respective fields of jurisdiction and responsibility as between the dominion and provincial governments. If as a result of dominion-provincial negotiations it is established that amendments to the constitution are necessary and obviously in the interests of our people as a whole; and if it becomes necessary to allocate responsibility for and jurisdiction over such matters as have become of national interest and importance since 1867, such as radio and things of that sort, then of course we believe such amendments ought to be sought. And let me repeat that we believe those amendments should be sought within Canada, in this parliament.

A third cause of difficulty between provincial and senior governments lies in the failure, particularly here at Ottawa, the capital of Canada, to realize that authority carries with it corresponding responsibility. Moreover, Mr. Speaker, there has been too much inclination here at Ottawa to place responsibility under the constitution upon provincial governments without careful consideration of the means by which those authorities and responsibilities may be carried out. With respect to this cause of trouble between governments, and by way of illustration, let me quote a short portion of the preliminary statement by the premier of Alberta at the opening of the dominion-provincial conference on August 6, 1945. At that time Mr. Manning said:

> In actual fact, while with respect to certain matters the dominion government has been given constitutional authority, the provincial governments are constitutionally responsible for the consequences of the federal government's actions. With respect to other matters for which the provinces must assume full constitutional responsibility, they are denied the means—that is the effective constitutional authority—necessary to enable them to discharge those responsibilities. Section 92 of the British North America Act gives the provinces exclusive jurisdiction over property and civil rights, but experience has shown that the provinces' authority in this field is largely nullified by the fact that the dominion government has exclusive jurisdiction in matters affecting interest and bankruptcy laws. This was brought out forcibly during the pre-war depression years, when under the stress of economic conditions many western Canadian farmers were unable to meet their debt obligations resulting in wholesale foreclosures at depressed land values by lending corporations. It was within the provinces' sphere of jurisdiction to safeguard the property rights of the victims of those conditions, but provincial governments frequently found themselves frustrated in taking effective action due to the fact that the dominion possessed exclusive jurisdiction over matters affecting interest and bankruptcy.

This quotation illustrates the fact that there are overlapping authorities and confused fields of jurisdiction. Furthermore, it illustrates that, in at least this one instance which I have cited, the responsibility is placed on the province but it is denied the wherewithal to make good that responsibility.

Now, a good many examples could be quoted to illustrate this same confusion about the allocation of authority and responsibility within the dominion. Mr. Manning cited another example which I believe should be put on the record because it is important to this whole discussion. He said:

> Of particular importance is the fact that the dominion government enjoys exclusive jurisdiction over banks, banking and the issue of money, together with the regulation of trade and commerce. This gives the parliament of Canada complete jurisdiction over national monetary and economic policy, but it is the provinces that are constitutionally responsible to provide the necessary relief and other social services required by those who find themselves unemployed and destitute as a result of a restrictive monetary policy imposed or permitted by the dominion government. In short, experience has demonstrated that the provinces frequently must assume responsibilities involving substantial expenditures as a result of the consequences of national policies over which the dominion government has exclusive jurisdiction, while at the same time experience has made it equally clear that the constitutional responsibilities of the provinces frequently cannot be carried out effectively due to the fact that provincial authority in certain fields is nullified by the dominion's exclusive or equal rights in fields which infringe upon provincial autonomy. This situation is particularly acute in regard to matters involving financial policy and its effects upon the economy of the country as a whole.

The important question, sir, which faces us, in the light of these facts, is this: How can the Prime Minister and his government contend that they can safely proceed with the piecemeal alteration of the constitution? How is he going to know which is, in fact, a federal and which a provincial authority or responsibility? That is a question which has to be answered, and it is one about which there is grave concern across this whole country. In the first place, we are opposed to the piecemeal method of changing or altering our constitution. We hold, Mr. Speaker, that any worthy move to clarify the constitutional position of the federal and provincial governments must be a part of a much broader effort that will embrace the entire field of constitutional authority.

All of these things emphasize our contention that this resolution should not be passed by this house now. There are two main reasons why this group has adopted that position and I should like to refer to them briefly. I am puzzled, Mr. Speaker, about the resolution as a result of a Canadian Press dispatch which was dated Montreal, October 14. It appeared in the Ottawa *Citizen* of that date under the large headline:

> Will meet provinces when session ends. To discuss amendment of B.N.A. Act.

The dispatch states that the Prime Minister said on October 13, at a meeting in Montreal, that a dominion-provincial conference will be called at the end of the present session

to ask agreement on a satisfactory procedure for amending the Canadian constitution in Canada.

If this dispatch is correct, sir, the Prime Minister said, while speaking to the main conference and banquet of the Young Liberals Association:

> If we can reach a satisfactory agreement, we will then ask the United Kingdom parliament to amend the British North America Act of 1867 . . . to give to federal authorities the same power to amend the constitution of Canada which the provincial authorities already enjoy to amend the constitutions of the provinces.

Mr. St. Laurent: If the hon. member will permit, I should like to say at once that that dispatch is incorrect. If the hon. member reads the editorial in the *Citizen*, he will note that the editor of that paper realized from the tone of the dispatch that it could not be correct.

Mr. Low: I am glad to have the Prime Minister's statement at this point because, Mr. Speaker, there were grave questions in my mind, and the minds of many other Canadians, about his good faith. I do not like to doubt him. I think the Prime Minister should be above that at all times. I am glad he did make that assertion to correct the impression that had gone abroad.

The fact remains, sir, that whatever was said, the last part of his statement is repeated in the letter to the premier of Quebec, namely, that the proposed amendment will—

> —give to the federal authorities the same power to amend the constitution of Canada which the provincial authorities already enjoy to amend the constitutions of the provinces.

Now, Mr. Speaker, to pass this resolution would not put the dominion on an even footing with the provinces at all. It has not escaped the Prime Minister's thinking, I am sure, nor the thinking of any hon. member, that the powers of the provincial legislatures, even in the matter of amending their own constitution, are seriously circumscribed by the overriding authority of the dominion government to disallow any provincial legislation. That is a handicap from which the federal government does not suffer. I say to you, sir, that the Prime Minister's argument is invalid.

In moving the adoption of the resolution today, the Prime Minister indicated that he did not intend to await the outcome of the dominion-provincial conference which has been announced. It seems to me, Mr. Speaker, that is a poor way of starting to gain and hold the confidence of the provinces of Canada in the good faith of the federal government. Surely, the Prime Minister must realize that, when it comes to the very serious and important matter of changing the fundamental law of the federation of provinces, he must seek and get the full co-operation, good will and confidence of all the governments and people of Cananda. Without those, no satisfactory procedure could possibly be worked out as he has suggested for the amendment of the constitution, even in matters that do not affect the exclusive powers of the federal government. If there is not that confidence and good will, it could not be worked out from now until doomsday. I am quite sure all of us are aware of that.

Good will must be exhibited on all sides, but it takes an effort to get it and to hold it. If the provinces and the people do not have confidence in the justice and fairness of the federal government, I do not know what good a dominion-provincial conference could do.

Under those circumstances why did the Prime Minister (Mr. St. Laurent) not have the dominion-provincial conference first, and then at the next session of parliament bring this resolution before the House of Commons? Surely a matter of a few months is not going to make any appreciable difference. There is not that much rush. If there is, why have we not been told why? I am convinced there is nothing that is rushing. Could the explanation of this particular question that I have asked be found in that article that Mr. Sandwell sent around to all of us, which was published in Toronto *Saturday Night* of September 27 last, and in which he said:

> The announcement of the government's policy has achieved already one of its main purposes, which was unquestionably that of clearing up the confusion left in the public mind, especially in Quebec, by the Prime Minister's declaration that parliament has the power to abolish the French language if it decided to do so. The country has now been assured, if it needed the assurance, that parliament has no intention of abolishing the French language and is perfectly willing to turn over that power to some authority more carefully constituted for the purpose.

I say that may be the explanation, although I do not know. But if it is, then the purpose has already been served, and the minds of the people have already been set at rest on that point, and we need not proceed to pass the resolution.

There is another cause for some bewilderment over the way in which the government is proceeding in this whole matter. Only a few days ago this house passed legislation authorizing the government to set up the Supreme Court of Canada as the final and conclusive court of appeal in all cases, constitutional and otherwise, coming from the Canadian courts. It will take months if not years of most painstaking work to organize our supreme court and to establish it on a basis that will make it possible for it to deal

effectively with constitutional matters especially; I am not now referring to civil and criminal appeals.

I am sure that it has not escaped the Prime Minister's thinking that there is a most important psychological consideration involved if the Supreme Court of Canada is to achieve and to hold the confidence of Canadian citizens in its ability to deal objectively and justly with constitutional references. That, to my mind, is a most important consideration. Let us not forget that the supreme court will be a creature of the dominion government, that its members will be appointed by the governor general in council, and that the powers and duties of this court can be increased or decreased by a simple majority vote of this house at any time that the government sees fit to bring in proposals for doing so. It is our belief that the resolution should not be passed until the Supreme Court of Canada has had time and opportunity to establish itself in the confidence of the people of this country.

I have only a word or two further to say, Mr. Speaker, and then I shall close. Other questions that are in our minds at this moment are these: Why is the government seeking this power? Are there important things that are essential to be done in the interests of the Canadian people and that cannot be done without amending the British North America Act? If so, let us have a statement of them. What are they? We are, of course, denied the privilege of asking these questions and dozens of others that would occur to us, and which it is necessary to ask in order to obtain the information, because the resolution must be discussed with you, sir, in the chair. If it could be discussed in the committee of the whole, we could then ask the questions that are in our minds and could elicit all the information that it is possible to get. I say to you, Mr. Speaker, that we in this house should get all possible information with regard to what is behind this resolution, or what is activating the government in moving it at this time. Furthermore, every implication in it should be laid bare to the Canadian people. That is our contention.

Perhaps the Prime Minister would be constrained to answer some of these questions. It being nearly six o'clock, I have not time to ask them all, but one or two occur to me at the moment. One is this. Is this resolution the government's way around the stalemate or impasse which arose as a result of the breakdown of the last dominion-provincial conference? Another one is this. What would be the attitude of the Prime Minister and his government, if, having attempted to lay down a definite procedure for a constitutional amendment, the majority of the provinces state that they are definitely opposed to an amendment suggested by the federal government? Would the government of Canada proceed to put through the amendment anyhow? Those are questions that are in the minds of the Canadian people and they have far-reaching implications that the people ought to understand. Another question is this. Is this resolution indicative of the general trend? Is it a first step towards a complete repeal of the British North America Act and the substitution for it of another constitution? Although some hon. members may laugh at what I am about to say, I say it in all seriousness. There are many people in this country who are thinking in that way.

An hon. Member: How many?

Mr. Low: A great many more than the hon. member who has interjected has any idea of; I will guarantee that. This is a matter which ought to be clarified; the people's minds ought to be set at rest on the issue.

In conclusion, Mr. Speaker, with regard to procedure I would say this. We believe—indeed we have already put ourselves on record to this effect—that at the earliest possible time a dominion-provincial conference should be called, at which conference a procedure should be laid down for amending the British North America Act in Canada. The procedure decided upon must, of course, be satisfactory to both the dominion and the provinces. There must also be a real effort to clarify permanently the whole matter of responsibilities as well as authorities and powers under sections 91 and 92. We feel that this resolution is a matter of grave concern to so many people across this country that it should not be passed at this time.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

Mr. Donald M. Fleming (Eglinton): Mr. Speaker, the subject matter of the resolution before the house is one of admittedly fundamental importance. In many respects it goes to the root of the whole structure of our nation. It touches on matters vital to national unity; and whether we remain here a short time or a long time I venture the prediction that nothing of more far-reaching importance will be dealt with, in the experience of any member.

It is, therefore, I believe, particularly regrettable that a matter of such vast

importance should be dealt with under a procedure which permits of only one debate. Think of it, sir! In even the most ordinary and commonplace bills we have three readings, together with consideration in detail in committee of the whole. In this instance, on the other hand, we are dealing with a matter which goes to the root of confederation, and yet we deal with it only as a resolution. There will be no consideration in committee; there will be no review in detail in committee; and it will be before the house for only one debate.

That is serious enough from the point of view of the opportunity needed by hon. members thoroughly to sift through the significance of the proposals; but, if I may say so, it is more serious for the country at large, because we know that in a matter such as this it is only as the debate proceeds in the house and the various points of view are put forward by hon. members that the true significance begins to permeate the electorate, through the medium of the press and other avenues of information.

We know that when a measure in the form of a bill goes through the various stages in the house there is an opportunity for the public to form an appreciation of the significance of the measure under debate, and to bring public opinion to bear upon the subject matter before the house. We see that happening every day. It is because of the necessity of informing the public, as well as to avoid unduly precipitate action in the house, that provision is made in our procedure for consideration stage by stage.

Yet here today we have just one opportunity of reviewing this subject in debate. When the vote is taken on the resolution, that will end the matter in the house. Whether the debate continues long enough to give the people of Canada an opportunity to appreciate the full significance of the proposal remains to be seen. But I wish to express my view that it is most regrettable that the procedure of the house permits a matter of such far-reaching importance as this one to be disposed of in a relatively summary fashion.

In view of the ringingly clear statement made by my leader this afternoon I do not think it is strictly necessary to say what I am about to say. However, I do wish to put myself clearly on record as stating that the time has long since passed when Canada should have the right to amend her own constitution within her own borders, both from the point of view of recognizing her own status and autonomy and of relieving the parliament of the United Kingdom of what on some occasions has been a source of embarrassment. It was so in 1943, when the address presented by our parliament at that time was opposed by at least one provincial legislature.

It should not be possible now, with Canada a grown-up nation, to have a situation continue where embarrassment may be caused to the parliament of the United Kingdom in that fashion, and where we put ourselves in the position of having to go outside Canada to obtain amendments.

But, sir, to say that we ought to have in Canada complete power to amend our constitution as we see fit is a very different thing from saying that this parliament ought to have unlimited power to make amendments to the constitution. I think it is fair to say that in a good deal of the discussion of this subject in times past there has been a regrettable tendency to confound amendments made by Canada with amendments made by parliament, or at the instance of parliament.

I wish to say definitely that in subscribing to the principle that Canada ought to have within her own shores the power to amend her constitution in any way she sees fit, I do not mean at all that parliament should have untrammelled power to bring about amendments by itself. The question before us is or should be one of finding a formula for an amending procedure. With that should be linked the question of what method we should pursue at this time in relation to the legislatures and governments of the provinces in seeking that necessary formula.

I make it clear here and now that so far as I am concerned I do not think the method proposed by the Prime Minister (Mr. St. Laurent), the method inherent in the resolution before the house today, is a satisfactory formula or even a helpful beginning toward seeking a satisfactory amending formula.

Something was said this afternoon about the need for amendments. Sir, there are many amendments needed in our constitution. I believe we would find ourselves on common ground if we were to say in the first place that Canada ought to have the right to amend her constitution and, in the second place, that amendments are necessary. We are not here engaged in merely academic discussion. It has been a matter of wonder to me for a long time why we allow sections 55, 56 and 57 to continue in the British North America Act. They may be a dead letter, but they remain. These are the sections under which power is reserved to the reigning sovereign in council to disallow measures of parliament. They confer on the British government the right of reservation of legislation and the right of disallowance. It is a

fact that the power of disallowance has not been exercised since 1873, and that the reservation of legislation for the sovereign's approval under these sections did not long continue after that date. It seems to me that is one striking example of an amendment long overdue to remove a dead letter.

The Prime Minister maintained this afternoon that his government possessed a mandate to put this resolution into effect, and suggested that in the view of the government it was the first step it should take, even in advance of consultation with the provinces in relation to other matters arising out of the constitution.

I heard the statement made in the house by the Prime Minister about a year ago on this subject. I followed press reports of his speeches during the campaign, with some care, and I do say that unquestionably the government has a mandate, as I think every member in the house, regardless of party, must have a mandate from his electorate to seek for Canada the power to amend her own constitution. But I submit to you, sir, that the Prime Minister has yet to show the House of Commons where he has a mandate from the people of Canada to proceed by the method laid down in the resolution now under debate. Certainly it was not indicated in the speech he made to the house this afternoon.

Where is the mandate to select one field, a field the line of demarcation of which is not as clear to many people as it appears to be to the Prime Minister, and to say that without consultation with the provinces we are going right ahead with this subject in a manner which I think will prejudice the wider enterprise of seeking a comprehensive amending formula for the Canadian constitution in all its aspects?

Undoubtedly if the fathers of confederation did wrestle with this question of amending procedure, they had some difficulty with it. It is not free from difficulty yet. In his correspondence with the premiers of the provinces the Prime Minister referred to it as being a subject of great difficulty. Nevertheless, we should no longer continue to be the one dominion lacking this power.

But in my submission the formula by which a comprehensive amending procedure is to be achieved in Canada must be one that is acceptable to the provinces. It is the height of folly to proceed to carve up this subject. We are only inviting the defeat of any hope of effecting that comprehensive approach to the problem of devising an amending procedure which is long overdue.

So far as the government is concerned, the Prime Minister this afternoon tolled the death knell of the compact theory of confederation. If those who follow him in this house follow him in his speech, then the Liberal party has today tolled the death knell of the compact theory. There are some things about the compact theory about which I should like to remind Liberal members in this house.

Whether or not that theory is precisely recognized by the courts in interpreting the British North America Act, it is an incontestable historical fact.

I should like to refer to the letter of October 5, 1949, from the premier of Quebec to the Prime Minister. In that letter reference is made to the statement made by Lord Carnarvon when the British North America bill was introduced by him into the Westminster parliament. Lord Carnarvon said:

> The Quebec resolutions, with some slight changes, form the basis of a measure that I have now the honour to submit to parliament. To those resolutions, all the British provinces in North America were, as I have said, consenting parties, and the measure founded upon them must be accepted as a treaty of union.

When the bill was introduced in the British House of Commons by Mr. Adderley he said:

> If again, federation has in this case specially been a matter of most delicate treaty and compact between the provinces . . . it is clearly necessary that there should be a third party *ab extra* to give sanction to the treaty made between them.

That was the view of the government which introduced in the Westminster parliament eighty-three years ago the bill that later became the British North America Act.

But the evidence does not end there. It was the view of the Liberal party in its best days in this country that the British North America Act, certainly the scheme of confederation which found its legislative embodiment in the British North America Act, was a compact. I should like to refer to the words of Sir Wilfrid Laurier, as reported on page 2199 of *Hansard* of January 28, 1907, when he said:

> Confederation is a compact—

I ask Liberal members of this house who heard the remarks of the Prime Minister today when he completely repudiated the compact theory to put alongside his words those of Laurier, in 1907, who said, "Confederation is a compact." I quote from page 2199 again:

> Confederation is a compact made originally by four provinces, but adhered to by all the nine provinces who have entered it, and I submit to the judgment of this house and to the best consideration of its members, that this compact should not be lightly altered. It should be altered only for adequate cause, and after the provinces themselves have had an opportunity to pass judgment on the same.

British North America Act

The view expounded this afternoon in this house by the Prime Minister and the view expounded by Laurier in that passage are as different as day is from night.

That view did not end with Sir Wilfrid Laurier. Speaking in this house in 1924, the late Right Hon. Ernest Lapointe said this, as reported on page 520 of *Hansard* of 1924:

> Now this treaty cannot be changed, it has been the contention of many constitutional authorities, and I think it is only fair that no change should be accepted, without the consent of all those who were parties to it. It is a sacred treaty just as is any other treaty; it is no scrap of paper.

A treaty—that was the view of Lapointe: it was not to be changed apart from consultation with those who were parties to the treaty. Put that statement alongside the doctrine expounded in this house this afternoon by the Prime Minister and you will find that they can never be reconciled until kingdom come.

Then speaking in 1925, as reported on page 301 of *Hansard*, Mr. Lapointe said this:

> I do not think there can be any attempt to change the mutual charter of both the dominion and the provinces by the arbitrary action of this parliament. I do not think it is possible to do it. To those who want changes, and I am willing to admit that there might be the necessity for changes, I would say that the only way to get them is the constitutional way, to ask the consent of the various parties to confederation.

That is all that the amendment that has been submitted to the house by my leader asks, that there shall be consultation with the provinces. Surely it is a reasonable request. That was certainly the view of the Liberal party until these later days.

I turn now to a very commendable speech made in this house on June 20, 1946, by the late Hon. P. J. A. Cardin. If I remember rightly this was the last speech made in this house by Mr. Cardin. It was a great and eloquent speech made by a man who had given long years of sincere public service in this house. Out of his long experience he made some significant observations upon a similar measure that was then under debate in the house, that an humble address be presented to His Majesty the King seeking an amendment of the British North America Act for the purpose of altering the basis of redistribution and membership in the house under section 51 of the British North America Act. Mr. Cardin was referring to the doctrine expounded in that debate by the present Prime Minister, then Minister of Justice, that except in connection with the subjects enumerated in sections 92, 93, 94 and 95, parliament had the right to obtain an amendment of the British North America Act without consulting the provinces. When the hon. member for Calgary West asked if that doctrine applied to section 133 of the act, when he asked if parliament had the right to obtain from Westminster an amendment to the British North America Act in reference to section 133, the Prime Minister, then the Minister of Justice, answered, "Yes, legally, I say it can". The Prime Minister expounded the doctrine that parliament, without consulting the provinces, has the legal power to secure amendments to the British North America Act at Westminster which could have as their purpose the abolition of any language rights under section 133. Following that statement, referring to the doctrine expounded by the present Prime Minister, Mr. Cardin is reported at page 2667 of *Hansard* as follows:

> And what is the consequence? We have heard the Minister of Justice say in reply to the hon. member for Calgary West (Mr. Smith) that the federal parliament would have the authority to make representations to the imperial parliament to amend the constitution by wiping out section 133 of the British North America Act which protects the French language in this country, and that without consulting the provinces. That is one consequence of the theory which has been expounded by the Minister of Justice in this house, contrary to the views expressed by his distinguished predecessor, the late Right Hon. Ernest Lapointe, and all public men in Canada since 1867.
>
> In all the discussions which took place in regard to amending the constitution it has always been contended by all parties that we could never touch the privileges of any province, of any race or any religion, without giving them the opportunity of being consulted and of expressing in detail their views on the proposition.

At page 2671 Mr. Cardin concluded his remarks with these words:

> The amendment asks for consultation with the provinces and the obtaining of at least their advice before proceeding with the resolution. I am in accord with that view, and in that stand I remain in the family of the old Liberals among whom I have been brought up in my political life. I stand with Blake; I stand with Laurier; I stand with Lapointe, and on that constitutional issue I also agree with leaders of the Conservative party in the past. No, I am not alone. I am at present preaching the gospel they all have preached, the gospel I myself have been advocating in my province and in Canada as a whole for the last thirty-five years.

That was a great speech by a great Canadian, and I put it to every Liberal member of the house: Do you stand today with the Prime Minister (Mr. St. Laurent) and the government in the doctrine that has been expounded by him today, or do you stand with Blake, with Laurier and with Lapointe? You cannot stand with the Prime Minister today and stand with Blake, Laurier, Lapointe and Cardin. When the amendment and the resolution come to a vote the Liberal members today will make their choice because they cannot vote for both. They will make their choice with respect to the doctrine of

the present Prime Minister. They will have the opportunity of standing with him or the opportunity of standing with Blake, Laurier, Lapointe and Cardin.

Mr. Ferrie: On a point of order, are we discussing the amendment? The new members of the house would like to know whether we are discussing the amendment or the resolution. I have listened for half an hour and it seems to me that nothing has been said about the amendment.

Mr. Speaker: The amendment is before the house.

Mr. Fleming: It is perfectly clear that the resolution constitutes a repudiation of the position taken by the great Liberal leaders of times gone by, and the Liberal party in its best days, on this subject of the constitution. Why should there not be consultation with the provinces? Would it not be the simplest thing in the world to enlarge the scope of the proposed dominion-provincial conference to include matters so obviously proper to be discussed there as those before the house today? Our provincial premiers, doing their duty, in reply to the invitation of the Prime Minister to attend the conference at the end of the present session, a conference that will have half an agenda in relation to amendments of the constitution, have taken advantage of the opportunity to state quite clearly the positions of their provinces.

This afternoon the leader of my party read the very telling observations of the premier of Alberta in relation to the proposed procedure. The premier asked that before any action is taken of the kind that parliament is being asked to take today there should be consultation between the dominion and the provinces, and that the conference which is to take place at the conclusion of this session between the dominion and the provinces ought to be enlarged to include this matter with others to be submitted to that conference. That is a very simple request by the premier of the province of Alberta, and he is not alone in making that request.

The premier of the province of Quebec has written two letters on the subject and I quote short passages from them. On October 5 he said, in concluding a letter to the Prime Minister:

> Once more I draw your attention to the fact that the Canadian constitution did not result from hasty decisions, nor was it the realization of a single political party or of a single government. We renew our request, Mr. Prime Minister, that you agree to postpone all legislation concerning the federative pact and call together initially the interested parties to study together in a spirit of co-operation the vital problems involved in an amendment to the British North America Act.

Surely that is a reasonable request, but it is one that the government is in too great haste to consider. Again the premier of the province of Quebec said this in a letter to the Prime Minister on September 21:

> In our opinion the Canadian constitution is a pact which cannot be amended in a unilateral fashion. We believe that an ounce of prevention is worth a pound of cure, and it is appropriate that the provinces should be consulted beforehand rather than be left in the presence of an accomplished fact. We therefore ask, Mr. Prime Minister, that you delay all legislation relating to the federated pact and call together, in the first place, the interested parties—

Again he makes the same request that the provinces be called together so that they may work out this subject of amendment with the dominion in a spirit of co-operation.

The present premier of the province of Quebec is not the first premier of that province who has taken the same position as to the nature of confederation and the necessity of consulting the provinces before undertaking amendments. Mercier took it. Mr. Godbout, when he was premier of the province of Quebec, on June 22, 1943, wrote to the then prime minister of Canada. His letter concerns an amendment, proposed at that time, to the British North America Act for the purpose of postponing the decennial redistribution of seats in the house. This letter was quoted by Mr. Cardin in the same speech to which I have referred. It reads:

> Dear Mr. King:
>
> I regret to hear that you consider delaying the readjustment of representation in the House of Commons according to the 1941 census. This decennial readjustment is an essential part of the compact between the provinces out of which arose the Canadian confederation, and therefore the British North America Act cannot properly be amended, in this respect, without the assent of the provinces.

Could anything be plainer? Will hon. members from the province of Quebec choose to follow the view expounded by Mr. Godbout in 1943 or the contrary view expounded by the Prime Minister in this house today?

Then I turn to the letter of the premier of Ontario of October 7 in which he says:

> I am frankly in some doubt as to the advisability of dealing with the matter piecemeal—

That is the matter of the procedure for amending the constitution.

> —without first attempting general agreement. Obviously, matters which are purely a federal concern will have to be delineated from time to time by the courts. My consideration of the matter leads me to believe that abolition of appeals to the privy council may affect this very important side of matters more than is generally realized.

Then the premier of the province of Manitoba says in his letter of October 6:

> The government of Manitoba feels that there might be differences of opinion as to whether a proposed amendment to the constitution related only

to federal matters or affected provincial interests, rights, or jurisdiction. Before agreeing to any specific proposal, therefore, our government will examine carefully the manner in which the provincial position is to be protected.

It is only natural that one should turn also to the letter from the Liberal premier of the province of Nova Scotia. In his letter of September 27 to the Prime Minister he said this:

I observe that the Minister of Justice has introduced a bill for the abolition of appeals to the privy council. It seems to me that the abolition of appeals to the privy council might well form the subject of study by such a general conference as is envisaged in your letter. I beg to suggest, therefore, that final consideration of the bill now before the House of Commons be deferred until the conference suggested in your letter will be held. There is, I believe, considerable support for the view that the abolition of appeals to the privy council is in effect an amendment of the constitution and that, therefore, it is a question which should be the subject of discussion at the dominion-provincial conference which you suggest.

There you have the very reasonable and sensible point of view put forward by the premier of the province of Nova Scotia that when a question involves an amendment of the constitution the provinces ought to be consulted. Again the Liberal members of the house will have the opportunity of choosing between the point of view of the Liberal premier of Nova Scotia and the view expounded in this house today by the Prime Minister.

Before I leave this subject of the pact and the desirability, indeed the necessity, of consulting the provinces if we are to have due regard for the essence of confederation, let me make this final observation. We are a parliament. We are not sitting as a court construing the terms of the British North America Act, an imperial statute. The courts cannot look behind the terms of the statute. They cannot look back at the Quebec resolutions; they cannot look back at the language used by those who introduced in the British houses of parliament the bill which in due course became the British North America Act. The courts are not permitted to go back of the language of the legislation they are engaged in construing. But we are not a court; we are a parliament. We are here making laws; and I say to this House of Commons that we have neither the legal nor the constitutional nor the moral right to shut our eyes to what preceded and led up to confederation. Yet in effect that is what we are being asked to do today.

We speak of precedent. The Prime Minister (Mr. St. Laurent) has given us a review of previous amendments, and he has claimed the benefit of precedent for the course the government is pursuing here. Among those he quoted I say there were some pretty bad

precedents; but at best or at most—perhaps I should say at worst—he had precedent for a particular amendment. But this present resolution goes far beyond any amendment to the British North America Act hitherto obtained at the request of parliament. This is infinitely more far-reaching. This is something that goes to the basis of the amending procedure; and there is no precedent for this. In my submission a far better precedent would be the report of a committee of this house which studied this question in 1935 and made its report and recommendations in these terms, which appear at page 143 of its proceedings:

The committee recognizes the urgent necessity for prompt consideration of amendments to the British North America Act with reference to a redistribution of legislative power and to clarify the field of taxation.

It is further of opinion that the conference hereafter proposed should carefully consider the adoption of a recognized yet flexible method of amendment.

In view of the fact that the several provinces did not feel it advisable to give the committee the benefit of their views with respect to the method of procedure to be followed in amending the constitution, the committee is of the opinion that before any decision upon the subject matter of the resolution is finally made, the opinions of the provinces should be obtained otherwise, if at all possible, and for that reason recommends that a dominion-provincial conference be held as early as possible in the present year to study the subject matter of the resolution. The proposed conference should have ample time in which to study every phase of the question.

In view of the above recommendation the committee expressly refrains from recommending any form of procedure for amendment so as to leave the proposed conference entirely free in its study of the question, except that the committee is definitely of the opinion that minority rights agreed upon and granted under the provisions of the British North America Act should not be interfered with.

Within the realm which the Prime Minister says is quite clear, but which many of us do not find characterized by such clarity—that is, the federal sphere—we are being asked to put our constitution on the same basis as an ordinary statute of this house, capable of amendment in the same way as any other piece of legislation ever adopted by this parliament. Every federal constitution that I know anything about has drawn a clear line of distinction between ordinary legislative processes in the particular legislature that has been created, and methods of changing the constitution. The constitution is fundamental; it is the organic document from which legislatures—and I am speaking of federal constitutions in general—derive their existence. This proposal and the proposed amendment to the B.N.A. Act, if it were enacted at Westminster, would put our constitution, in matters which the Prime Minister says come under federal jurisdiction, in exactly the same position as any other statute

of parliament. In other words, in relation to what the Prime Minister says are federal matters, the British North America Act could be changed here in precisely the same way as any other law of parliament.

I do not think that is the way to approach amendments to the constitution. A clear line of distinction should be drawn between ordinary legislation and changes in the constitution because, as I have said, the constitution is fundamental, and is the organic document from which this parliament derives its existence.

My time is passing, but I wish to make one more comment before I conclude. In most federal constitutions, certainly in the case of the United States, the senate was designed to be representative of the states. It was designed to be the protector of states' rights. It may be that our Senate is not the complete counterpart of the United States senate in that respect; nevertheless, in some respects our Senate was intended to be the protector of the rights of the provinces. But with all respect to the other house I say that as it comes closer and closer to being a one-party chamber, then by its very composition it is going to be more and more precluded from discharging that duty of protecting the rights of the provinces.

The resolution seeks to make an interesting exception of language and school rights, the reason for which I think you will find in the doctrine propounded by the Prime Minister in this house on June 18, 1946. That is a doctrine which has done much mischief; namely, that the rights of minorities in respect of language could be abrogated by amendment without consulting the provinces. An exception is to be made here; but let every hon. member of this house realize the position in which minority rights under section 133 of the British North America Act are left by this resolution. To hear the Prime Minister speak one would think that somehow these rights are being given additional guarantees. They are not. Parliament is creating one more precedent, a more far-reaching precedent than has ever been created in times past for automatically obtaining at Westminster amendments to the British North America Act simply on the request of both houses of parliament, by an address adopted by a majority of perhaps only one in each house. Remember that the parliament at Westminster is not divesting itself of the right to make further amendments to the constitution. It could not, because it is an imperial statute. The rights of minorities continue to have all the validity they now have under section 133 of the act—no more, no less—but if parliament passes this resolution parliament will have created another precedent for obtaining amendments to the British North America Act, including section 133, without consultation with the provinces. The rights of minorities under section 133 after this resolution is adopted, if it should be adopted, will not stand any higher, under the doctrine expounded by the Prime Minister, than the forbearance of a majority of one in each house.

That is no position in which to leave minority rights in this country. Those rights are sacred and fundamental. There would have been no confederation had those guarantees under section 133 not been given, and I say it is the duty of this house to seek a comprehensive method of amendment of the constitution which will embrace all features of the act, so there may be within Canada complete autonomy and complete power of amendment, and which will really preserve and safeguard the rights of minorities and will not leave them at the mercy of a majority of one in this house and in the Senate.

Mr. Speaker: This afternoon there was mention made of the fact that the amendment might not be in order. During the dinner recess, I read the amendment carefully and I have some doubt as to whether or not it is in order. It occurred to me that some hon. members might like to express their views with regard to whether or not the amendment is within the rules. If so, I would be glad to hear them now.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, I appreciate the opportunity of expressing some views on the question of whether or not the amendment moved by the leader of the opposition is in order. Since no attack has as yet been made on the point of order, one is compelled to deal with it by anticipating what might be said. In this connection, I think it is fair to point out that, although the matter was referred to in passing by the hon. member for Rosetown-Biggar (Mr. Coldwell), it did not appear that the hon. gentleman was entirely satisfied the amendment was out of order. As I point out to you, Mr. Speaker, he advanced no grounds for its being out of order and did not take the position that it was, in fact, out of order.

It seems to me there might be three grounds only upon which the amendment could be declared to be not within the rules. The first one would be that it is not relevant to the main motion. In this connection, may I refer Your Honour to Beauchesne, third edition, page 136, where citation 338 reads as follows:

> The object of an amendment may be to effect such an alteration in a question as will obtain the support of those who, without such alteration, must either vote against it or abstain from voting thereon,

or to present to the house an alternative proposition either wholly or partially opposed to the original question. This may be effected by moving to omit all the words of the question after the first word, "That", and to substitute in their place other words of a different import. In that case the debate that follows is not restricted to the amendment, but includes the motives of the amendment and of the motion, both matters being under the consideration of the house as alternative propositions.

At this point, perhaps I should direct Your Honour's attention to the fact that this amendment does do exactly what is contemplated in that citation from Beauchesne, namely, to suggest an alternative proposition wholly or partially opposed to the original question. It does so by moving to strike out all the words after the first word "that" and to substitute other words.

In fact, Mr. Speaker, one is always conscious of the difficulty of complying with the various rules of the house in moving an amendment, particularly to a resolution. In speaking in support of the proposition that this amendment is in order, and in asking Your Honour to rule accordingly, I can say with absolute certainty that a most scrupulous attempt has been made to see that the amendment does, in fact, comply with the rules because it is our desire to have a discussion on the merits of the situation.

The citation which I have read from Beauchesne is a citation based on May, the great British authority, and it is supported by the ruling of a Canadian Speaker referred to by Beauchesne at page 595. This question of relevancy had been raised and Mr. Speaker Lemieux, on June 6, 1923, quoted and applied that ruling in May. Dealing further with the question of relevancy, there seems to be a certain amount of contradiction between the various citations. It is for that reason that I say a most scrupulous effort has been made to draft an amendment which will be in order.

It seemed to us that the amendment had to do two things. First, it had to deal, in part at any rate, with the subject matter of the main motion. Second, it had to deal with or suggest a new or further proposition which, in effect, adds something to or is different from the main motion. If Your Honour will look at page 137 of Beauchesne, you will see what he advances as the law on the relevance of amendments. It reads as follows:

The law on the relevancy of amendments is that if they are on the same subject-matter with the original motion, they are admissible,—

I would point out to Your Honour that this amendment is on the same subject matter as the main motion. The main motion deals with the question of enacting in Canada a means of amending our own constitution. The amendment deals with the same matter because it suggests that following the convening of a constitutional convention to devise a method of amending the constitution in Canada, then such method should be made the subject of an humble address. It can be seen, therefore, that the amendment deals with the same matter as that which is before the house in the main motion, but it suggests an alternative and entirely different procedure from that which is outlined in the motion. I submit, therefore, it is in order on these two grounds, which it is admittedly difficult to reconcile, that it may suggest a difference in principle and yet must be relevant to the subject matter of the main motion.

Further, if Your Honour will look at the various rulings of Canadian Speakers cited in Beauchesne where amendments have been ruled out of order on the ground that they are not relevant, I believe it will be seen that in every case in which the amendment was ruled out of order it did nothing more than deal with an entirely different subject. For instance, on page 580 of Beauchesne's third edition, there is a reference to a speaker's ruling in which an amendment was ruled out of order on the ground that it was not relevant. The operative part of the ruling is as follows:

The motion before the house deals with one specific question, the scale of payments to be made by Canada to the various provinces. The amendment proposes to deal with the representation of several provinces. It seems to me that is an entirely different question, and it is not relevant.

As I have pointed out, our amendment does deal with the subject matter of amending the constitution. It does not deal with an entirely different proposition and, therefore, I submit it does not fall within the scope of those previous rulings in which amendments have been ruled out of order on the ground that they were not relevant.

We come then to the second possible ground of objection, that it introduces new matter. I think, Mr. Speaker, that is dealt with in the citation to which I have already referred and which is to the effect that a member may move an amendment asserting a different proposition or advancing a different principle. It seems to me it would be quite impossible to comply with the strict interpretation of the rules when it is said the amendment must not introduce new matter and, at the same time, you are faced with a citation that an amendment may assert a different proposition. I am not one to suggest that the rules of the house should be disregarded or that they are merely an inconvenience to be overridden. I say the rules are for the purpose of regulating and guiding discussion. Nevertheless, I do suggest that

there is such an apparent conflict between the two citations that Your Honour should exercise some discretion in interpreting the amendment. This amendment does, in fact, assert a different principle to be followed in achieving constitutional amendments; nevertheless, it does deal with the question of amending the constitution. I submit it is not out of order on the straight ground that it introduces new matter.

The third ground upon which objection might be raised is that it involves an expenditure of money. That is the old stand-by to which we always look when trying to have amendments ruled out of order.

In this connection I refer Your Honour to the fact that it does not directly involve the expenditure of money. If adopted, it constitutes a request to His Excellency the Governor in Council that a certain course be followed. It does not say that a constitutional convention must be or should be convened the day after tomorrow. It asks that His Excellency the Governor in Council be requested to convene a constitutional convention. So far as it can be made to do so, it merely asserts the principle that this is a proper way to go about solving this problem.

I am not going to take the time of the house or of Your Honour to deal with all the various conflicting rules on what is a money bill and what is not. I think it is sufficient if I remind you that the actual interpretation of what is a money bill is a strict interpretation and that if one applies that interpretation with a reasonable attitude toward amendments which are introduced into the house, it will be seen that this amendment clearly does not fall within that rule.

May I finally refer to a number of previous similar amendments which have been found to be in order; or perhaps I should say that by inference they were found to be in order because they have not been ruled out of order. I refer to the amendment introduced in 1946, when the British North America Act was being amended to change the basis of distribution of seats in the house. On that occasion the hon. member for Lake Centre (Mr. Diefenbaker) moved an amendment to the resolution then being discussed. His amendment is to be found at page 2235 of *Hansard* of June 6 of that year. The hon. member moved an amendment in these words:

> That the motion be amended by deleting the words: "A humble address be presented to His Majesty the King in the following words:" and substituting therefor:—
>
> And whereas it is desirable that the government should consult with the several provinces in respect of the said matter.
>
> Now therefore be it resolved that the government be required to consult at once the several provinces and upon satisfactory conclusion of such consultations . . .

To proceed with the redistribution. That amendment was not ruled out of order, although it was defeated in the house on a vote on the merits of the amendment itself. Similarly, in the spring of this year, at the last session of the last parliament when the agreement with Newfoundland was being discussed, the leader of the opposition (Mr. Drew) moved an amendment in much the same words. The amendment, to be found at page 501, was as follows:

> That the motion be amended by deleting the words:
>
> "A humble address be presented to His Majesty the King in the following words":—
>
> and substituting therefor:
>
> "And whereas it is desirable that the government of Canada should consult with the governments of the several provinces in respect to the said matter;
>
> Now therefore be it resolved, that the government of Canada be required to consult at once the governments of the several provinces and that upon a satisfactory conclusion of such consultations . . .

And so on. On two occasions therefore you have amendments in much the same form as this one, with this exception. The wording of those amendments required consultation at once so that they are even stronger directions for the holding of a dominion-provincial conference than is this one. Those amendments having been found to be in order, although they required the holding of a conference and therefore, by inference, if that rule applied, would require the expenditure of money, I submit that this amendment, which is not nearly so direct in its requirements but merely suggests that His Excellency be requested to convene a conference, is also clearly in order on the precedents established by those two earlier amendments.

There is one final point in connection with this rule regarding expenditure of money. I would refer Your Honour to the principle set out in Beauchesne's Parliamentary Rules and Forms, third edition, in dealing with bills, not resolutions. At page 170, citation 444, you will find the following:

> Private members may introduce resolutions that do not directly involve the expenditure of public money and have no operative effect but simply express an abstract opinion on a matter which may necessitate a future grant.

Here we have an expression of opinion that the proper procedure would be for His Excellency to be requested to convene a dominion-provincial conference, an abstract expression of principle which might possibly at some future time require a grant. But according to the citation I have read, it is within the power of a private member to move such a resolution.

For these various reasons I submit that this amendment is in order. I am sorry to have been so lengthy in my explanation but I offer this excuse. As I said at the outset, it is difficult to draft amendments to resolutions such as this which will be within the rules. This amendment has been as carefully drafted as we could do it, in order to comply with all the somewhat conflicting citations to be found. That is my excuse for the length of time I have taken on this submission that the amendment is within the rules of the house.

Mr. Speaker: Does any other hon. member wish to speak to the point of order?

Some hon. Members: Carried.

Mr. Speaker: I am now prepared to give a ruling. First of all, I wish to thank the hon. member for Kamloops (Mr. Fulton) for the care he has taken to explain why he thinks that the motion is in order. He has cleared up for me several points on which I had some doubt. There is, however, one point which he has not cleared up and that is whether or not the amendment amounts to a motion for which notice must be given. He did not satisfy me with regard to that. I am not stating that he entirely satisfied me with regard to the other doubts which I had in my mind, especially the question as to whether this motion would require the government to make an expenditure and was not merely setting forth an abstract principle. It will not be necessary, however, for me to make a ruling on that point.

I would point out to hon. members that citation 355 of Beauchesne's Parliamentary Rules and Forms, third edition, makes it clear that an amendment must not raise a question which can only be considered as a distinct motion after notice. The principal motion before the house asks that an address be presented to His Majesty the King praying for a measure to be laid before the parliament of the United Kingdom in amendment of section 91 of the British North America Acts, 1867-1949. The amendment, on the other hand, envisages the convocation of a constitutional convention to devise a method of amending the constitution of Canada. In my view the amendment is so different, in substance and effect, from the main motion as to require its introduction as a distinct motion after notice. I would refer hon. members to Canadian Commons Journals, 1929, pages 109-111.

It is not necessary for me to consider the other points which the hon. member has mentioned. My view is that this motion is so different in substance and effect from the main motion as to require its introduction as a distinct motion after notice. I must accordingly rule the amendment out of order.

Mr. G. F. Higgins (St. John's East): I have listened carefully, Mr. Speaker, this afternoon and evening to the views expressed by the various hon. members on matters connected with this resolution. I must confess that the more I have listened, the graver the matter contained in the resolution appears to me to be. The statute contemplated by the resolution may have far-reaching effects. This being so, I cannot see the need for the unseemly haste in the passage of the legislation.

Why is it that this legislation must be hurried? Is Canada losing face among the nations of the world? Is Canada not regarded any more as a sovereign power? What is to be gained or what is to be lost by this hurry? I heard one hon. member say today that it was to make Canada sovereign in all respects. But surely Canada has been a sovereign power since 1931. I believe that since the passage of the Statute of Westminster we can regard Canada as being a sovereign power.

In fact, I need only refer hon. members to what I believe can be called an official government publication. This is the British North America Acts and Selected Statutes, published on January 1 of this year by the King's Printer. It states in a headnote that all this material has been brought together, collected and annotated by Dr. Maurice Ollivier, K.C., F.R.S.C., joint law clerk of the House of Commons. At page 25 it states:

> It may be stated that responsible government was established in 1848, just as it may be said that Canada became a sovereign country in 1931.

Surely we must be all agreed, and the government must agree—or its booklet would not be published in this fashion—that Canada is a sovereign power, and has been since 1931. What is the reason then? Do we want to be regarded as a sovereign power, when we already are one?

I listened carefully to the Prime Minister (Mr. St. Laurent) today upon which occasion I believe he said that this resolution was an implementation of an election promise. I read the letter addressed to the premiers of the different provinces, as it appears at page 25 of *Hansard*, and this is what I read—and I would presume this is the promise made by the Prime Minister prior to the election:

> Before the recent election I stated on several occasions that it was the view of the government that a method should be worked out to amend our constitution in Canada, and that any such method should include the fullest safeguards of provincial rights and jurisdiction, and of the use of the two official languages and of those other rights which are the sacred trust of our national partnership.

Then he goes on in the same letter, the next paragraph, to say:

> I stated also that it was the intention of the government, after the election, to consult the provincial governments with a view to working out a method of amending the constitution in Canada, which would be satisfactory to all Canadians.

Unless I am completely astray in my reasoning in this matter—and I could very well be—it would appear to me that the only interpretation which could be placed upon that paragraph is that the Prime Minister prior to the election made an announcement that, if he came into power as head of the government, legislation would be introduced to this effect, and that the provinces would first be consulted before such legislation was introduced. No other interpretation could be placed upon that particular paragraph.

I submit to hon. members that they should read it and decide for themselves what conclusion they are forced to. There is no other way it can be read. I have been listening to various interpretations of acts and agreements in respect to confederation, and what they mean. The conclusion I came to was by reverting to what might be described as the Newfoundland agreement, passed in 1948. The heading of this agreement between Canada and Newfoundland, and dated December 11, 1948, is "Memorandum of agreement entered into on the 11th day of December, 1948, between Canada and Newfoundland." This is called a memorandum of agreement. In other words, there was an agreement between Newfoundland and Canada, and I assume there must be similar agreements between Canada and the other provinces.

The agreement with Newfoundland was implemented by statute. But it is an agreement between peoples; and if any part of that agreement is to be altered, then I submit both parties must first be consulted. As I see it, that is only fair and just. But again I may be wrong.

I would refer once more to this 1949 edition from the King's Printer, where it states at page 27:

> There has been a certain amount of discussion as to whether the B.N.A. Act was a pact or not. This discussion has taken place amongst writers on constitutional law and the subject has been perhaps more frequently mentioned in political speeches. Strictly speaking it is impossible to say that the B.N.A. Act is a pact since it is an act of the imperial parliament which is supreme. On the other hand this statute cannot, in this day and age, be amended without the consent of Canada and, furthermore, it is based upon an understanding which had taken place between the different colonies. We might recall here that these resolutions constituted a compromise, a sort of pact or understanding, and we might add that our constitution is a re-edition of this understanding with very few changes.

And this from a government publication of 1949! It would appear therefore that the compiler of this particular book did have in his mind the thought that confederation between each of the colonies, including the last one, the present province of Newfoundland, was a pact or an agreement. As such, any alteration of that agreement would have to be made by agreement between the parties.

I have gone over some of the legislation passed, not by this parliament but by preceding ones, and I find that on prior occasions the British North America Act has been amended without consultation with the provinces. But, may I ask, do two wrongs make a right? In 1940 when an amendment of a minor nature compared with the present one was required, namely the amendment necessary for the introduction of a bill to bring about unemployment insurance, why was consent first asked and obtained from each of the provinces before the bill was introduced? If that was done in 1940, why should not the provinces be consulted in connection with this important matter and their consent obtained? I should like to refer to the letter written by the premier of Newfoundland in reply to the letter by the Prime Minister (Mr. St. Laurent) of September 14. In his letter dated October 4 Premier Smallwood acknowledges the letter from the Prime Minister and makes this rather significant comment:

> —you wrote me on September 14 with regard to finding a suitable new procedure for amending the British North America Act.

He goes on:

> I have brought the matter to the attention of the government of Newfoundland, and they share fully my view that we, for our part, agree with you and your government that a new procedure should be found. We will be happy to co-operate with you in the endeavour. We will be ready at any time after prorogation of parliament to meet with you at Ottawa.

I hold no brief for the premier of Newfoundland who heads the Liberal government, but it would appear from his letter that he was agreeing to the consideration of a new method whereby the British North America Act could be amended. If the premier of Newfoundland thinks in that way, as would appear from his letter, surely he should be informed of what the real situation is before this legislation is passed. He is only one premier. There may be others.

Speaking only as one member from Newfoundland I must protest at the indecent haste in which this legislation is being put through. I see no need for the hurry and rush. We have been here a month and bills of the greatest importance to Newfoundland

have gone through. This is a most important measure and I see no reason why we cannot have a little less hurry.

I think of Canada as a two-wheeled cart, one wheel being the federal government and the other wheel being made up of the ten provinces. That cart will run along quite well as long as the two wheels are of the same circumference, but it is now proposed to alter one wheel without altering the other and I think that will make for a very lop-sided cart. The only way we can keep this Canada of ours on the level is to make alterations to both wheels at the same time. It seems so sensible to me that I cannot imagine any one quibbling about the idea.

I know there are other hon. members who wish to speak so I shall sum up briefly. There is no need for haste. The premiers are meeting in a short time, as I understand the Prime Minister has received the consent of all to meet. We do not want to make a botched job of this most important matter. In conclusion I can only repeat the words used by the Prime Minister in his letter to the premiers, that a method should be worked out of amending the constitution which would be satisfactory to all Canadians. That is what we want to work out, a method that will be satisfactory to all Canadians, and that is not going to be done by adopting the procedure contemplated by this resolution.

Mr. Jean François Pouliot (Temiscouata): Mr. Speaker, this is a most difficult question. I have listened with interest and an open mind to all the speeches that have been made this afternoon and evening. I think every hon. member who spoke did his best to speak on a high plane, and the subject matter before the house certainly deserves that treatment. I appreciate what the Prime Minister (Mr. St. Laurent) has said, that we should have no inferiority complex when thinking of other nations of the world. I think every one agrees with him. When the leader of the opposition (Mr. Drew) was speaking—we are all glad to see him back in the house, in his usual good form—he said that there is no suggestion that we must assert our sovereignty or declare that we are no longer under any limitation; that we have asserted that and have demonstrated that. We all believe it, said he.

I do not believe that Canada is a sovereign nation at the present time. A number of years ago Sir Wilfrid Laurier said that Canada was a nation in the commonwealth. That was a fine phrase, but it meant nothing. A nation may be a group of people having the same language or following the same customs, but Sir Wilfrid did not mean that Canada was a sovereign nation in the commonwealth. At that time the only sovereign nation was Great Britain; all the other nations of the commonwealth were subservient to Great Britain. I have great admiration for Sir Wilfrid. It would have meant differently if he had said that Canada was a sovereign nation in the commonwealth, but he could not say that and he was honest enough not to say something that was not true.

Let us see if we have become a sovereign nation. Some hon. members are under that impression, but I do not think we are for the very good reason referred to by the hon. member for Eglinton (Mr. Fleming). The disallowance provisions that were put in the British North America Act still exist. In 1931 there was passed an act called the Statute of Westminster, although there are thousands of other statutes of Westminster. Section 7 of that statute reads:

> Nothing in this act shall be deemed to apply to the repeal, amendment or alteration of the British North America Acts, 1867 to 1930, or any order, rule or regulation made thereunder.

That means that nothing has been changed by that enactment to the provisions of our constitution providing for disallowance of Canadian legislation by the British parliament. All hon. members are familiar with the British North America Act, and therefore it is not necessary for me to read to them the provisions concerning the disallowance of Canadian enactments. They are easily found. They are sections 56 and 57, and also section 90, which is quite interesting with regard to the disallowance of provincial enactments.

That is not all; there is more to it. Some Englishmen who have discussed our constitution have come to the conclusion that Canada is the only country in the world that cannot amend her constitution. It is right and it is not right. The constitutions of the other dominions have been double-barrelled constitutions. On one hand the British government gave to the other dominions the power to amend their constitutions, and on the other hand reserved to itself the right to disallow that legislation. What progress could any dominion make in amending its constitution if all or any of the enactments passed by the legislature of that dominion could be disallowed by the British government? It makes no sense, and it seems so unbelievable that I shall have to give my authorities.

Let us look at the old dominion of New Zealand. The act concerning New Zealand was passed in 1852 and is 15-16 Victoria, chapter 72. Bills were sanctioned in the

first place by so-called superintendents who were elected by the people who had the right to vote and elect members in New Zealand. The superintendents of each province were elected by persons duly qualified in each of the said provinces to elect members for the provincial councils.

Section 28 of that statute says that the superintendent must send copies of bills assented to by him to the governor. Listen to the words of section 29, which reads:

> It shall be lawful for the governor at any time within three months after such bill shall have been received by him to declare by proclamation his disallowance of such bill, and such disallowance shall make void and annul the same from and after the day of the date of such proclamation, or any subsequent day to be named therein.

Let us look at the Commonwealth of Australia Constitution Act. It was passed by the imperial parliament in the year 1900 and is 63-64 Victoria, chapter 12. I quote from section 128:

> This constitution shall not be altered except in the following manner—

It is pretty long but I will quote a whole paragraph to show what kind of right to amend the constitution has been given to the commonwealth of Australia by the imperial parliament. It reads:

> And if in a majority of the states a majority of the electors voting approve the proposed law, and if a majority of all the electors voting also approve the proposed law, it shall be presented to the governor general for the queen's assent.

Let us revert to section 58, royal assent to bills. It reads:

> When a proposed law passed by both houses of the parliament is presented to the governor general for the queen's assent, he shall declare, according to his discretion, but subject to this constitution, that he assents in the queen's name, or that he withholds assent, or that he reserves the law for the queen's pleasure.

It is the same legislation that we have in the British North America Act, and the above was probably copied from the British North America Act. I quote again from the second paragraph of section 58 as follows:

> The governor general may return to the house in which it originated any proposed law so presented to him, and may transmit therewith any amendments which he may recommend, and the houses may deal with the recommendation.

Let us now take section 59, which deals with disallowance by the queen. It reads:

> The queen may disallow any law within one year from the governor general's assent, and such disallowance on being made known by the governor general by speech or message to each of the houses of the parliament, or by proclamation, shall annul the law from the day when the disallowance is so made known.

The power the commonwealth of Australia has to amend its constitution does not amount to much.

Let us look at the South Africa Act, an imperial statute of 1909. It is 9 Edward VII, chapter 9, part X, amendment of act, section 152. It reads:

> Parliament may by law repeal or alter any of the provisions of this act: Provided that no provision thereof, for the operation of which a definite period of time is prescribed, shall during such period be repealed or altered: And provided further that no repeal or alteration of the provisions contained in this section, or in sections thirty-three and thirty-four (until the number of members of the House of Assembly has reached the limit therein prescribed, or until a period of ten years has elapsed after the establishment of the union, whichever is the longer period), or in sections thirty-five and one hundred and thirty-seven, shall be valid unless the bill embodying such repeal or alteration shall be passed by both houses of parliament sitting together, and at the third reading be agreed to by not less than two-thirds of the total number of members of both houses. A bill so passed at such joint sitting shall be taken to have been duly passed by both houses of parliament.

That would be all right, but now I refer to the disallowance provisions which are dealt with in section 65 of the same bill:

> The king may disallow any law within one year after it has been assented to by the governor general, and such disallowance, on being made known by the governor general by speech or message to each of the houses of parliament, or by proclamation, shall annul the law from the day when the disallowance is so made known.

How can South Africa claim the right to amend her own constitution when every piece of legislation passed by the parliament of that country is subject to disallowance by the imperial parliament, just as it is in the case of Australia?

Mr. Browne (St. John's West): If the hon. member will permit a question, how often were any laws passed by South Africa or Australia disallowed by the king?

Mr. Pouliot: If my hon. friend will permit me to proceed I shall answer his question to his satisfaction. I say it is impossible for any of those dominions to claim sovereignty as long as the disallowance provisions remain in their constitutions. The hon. gentleman who just asked a question may tell me that those provisions are spent, to use judicial language; that they are not used any longer. Let me ask him a question which he may answer when he speaks. If those provisions are considered deadwood by the British parliament how did it happen that, when the Statute of Westminster was passed in 1931, section 7 stated very clearly and beyond doubt that nothing was changed in the British North America Act, meaning that the disallowance provisions in our constitution still exist?

This afternoon we had an assertion of sovereignty by the leader of the opposition

(Mr. Drew). I congratulate him on his statement, though it was not accurate. It was what Mr. Mackenzie King would have called good will; but it is not accurate for the reasons I have mentioned. How can we Canadians say that we are a sovereign nation as long as all our enactments are subject to disallowance by the imperial parliament? That is something I cannot understand. If we want to discuss constitutional matters in the right way, let us be earnest, let us not exaggerate our importance, and let us take things as they are. I admit that Canada is a great country, but Canada cannot be at the same time a great and a small country. We have a great deal of work to do to see to it that we have a constitution that fits Canada, one that is fair to the dominion parliament as well as to the provincial legislatures. At the time the scheme of confederation was discussed in the legislature of Canada my grandfather voted against it, because he saw in it some kind of legislative union. I am all for having the rights of the provinces respected; but when we realize that the imperial parliament passes all the legislation requested by the Canadian parliament for the amendment of our constitution, my first impression is that to go to London for such an amendment is just red tape. I do not see that it is anything else. What kind of protection is there if the British parliament is ready to approve and rubber stamp all that is requested by the Canadian parliament? Let us give Canadians an opportunity to discuss and decide their own business.

Mr. Smith (Calgary West): Were not the statutes setting up constitutions for Australia, New Zealand and South Africa in the exact language that was asked for by the governing bodies in those colonies or dominions, whatever they were at that time? In other words, following up your second argument that the British parliament is a rubber stamp in these matters, is it not a fact that the constitutions they got were exactly what they asked for, with all these powers of disallowance which you have just mentioned?

Mr. Pouliot: I agree with what my hon. friend has just said; but all those people were colonial-minded, they walked on stilts, stepping high. They claim they are autonomous, but they are not. This is like the opening chorus of "Tannhauser".

Mr. Smith (Calgary West): The hon. member is very clear.

Mr. Pouliot: I mentioned a piece of music to bring harmony between us. My hon. friend knows very well—

Mr. Smith (Calgary West): I am not disagreeing with you. Don't pick on me.

[Mr. Pouliot.]

Mr. Pouliot: No, the hon. member knows I have great admiration for him. I mean it, and he deserves it from every one of his colleagues. Those people asked for a certain type of constitution. They got one. Was it what they asked for or was it something else? I am not in a position to say. All I know is what I find on the statute books. Nevertheless, there is a tremendous disparity between what they claim to be, what they boast of being, and what they really are. It is for this reason that I am ready to support my leader to the limit in his suggestion that we find a means of amending our own constitution without asking the imperial parliament to do it. I will do so with a still greater measure of satisfaction if it is the intention of the government to consult the provinces of Canada before passing any amendment to our constitution. I shall go so far as to ask the Prime Minister whether it is the intention of the government to consult the provinces before making any changes in the constitution. If the Prime Minister will answer that question in due course, it will relieve the minds of most of the members.

I remember that last year, when the question of union with Newfoundland was before the house, the leader of the opposition was satisfied with consultation with the provinces. He did not insist on having consent. On that question I went even farther than he did. This discussion is friendly. No harsh words have been said. The members are interested in a satisfactory settlement of a question which has been the subject of many discussions in the past. There have been some so-called changes in the constitution, but they amount to very little. The Canadian people, in common with the Australians, New Zealanders and South Africans, have boasted of what they did not have. In past years we did not have autonomy because there was an inferiority complex with regard to everything that was not Canadian. We suffered from it.

Today, we are in a new era; an era of sincerity and truth. How many times have we been told that some progress was made constitutionally by the enactment of the Statute of Westminster which repealed the Colonial Laws Validity Act. It was a step, but the disallowance provisions remained on the statute books and could be used. When? No one knows when. There was a possibility that any future government of the United Kingdom could take advantage of those provisions and disallow enactments passed by this parliament. As I mentioned the other day, when His Majesty came to Canada on the eve of the last war and gave the royal assent to some bills under the roof

of our Canadian Senate, all those bills could have been disallowed within two years by virtue of the provisions that have been left in our constitution. Is it not absurd? The British government would have had the right to disallow enactments sanctioned by our sovereign. It cannot work.

This afternoon mention was made of the fact that in 1871 the provinces were not consulted. This might have been due to the fact that, at that time, there was a dual representation and those who were sitting in Ottawa also sat in the provincial legislatures. It is a very good thing that the dual representation was abolished. I understand, sir, this government wants parliament to have the right to amend our constitution without changing anything in it for the time being. Then, a meeting of the representatives of the ten provinces of Canada would be held to discuss the whole matter. Who could have any objection to that? Amendment to the constitution, subject to consultation with the provinces, is something that has been done only twice since confederation, and once not all the provinces were consulted, as was stated this afternoon.

The government does not want to infringe on the rights of the provinces. It merely wants to establish the sovereignty of Canada. The leader of the opposition agrees with that position, as does the leader of the C.C.F. group; and I am sure my hon. friend the leader of the Social Credit party shares that view concerning the sovereignty of Canada. At any rate, from what he said this afternoon, I understood that to be so. We are all agreed on that point. Now, let us accomplish it in the best manner possible. Some constructive suggestions have been put forward by the members who have spoken. Some other members have expressed opinions without offering suggestions. Do you not think, sir, that the simplest way of amending our constitution is to make it our own and to abolish the disallowance provisions? Owing to the fact that the Colonial Laws Validity Act is a thing of the past, only the disallowance provisions remain. The various countries of the commonwealth have made progress, and I presume that the imperial parliament would not now dare to apply the disallowance provisions to a constitution made by Canada or by any other country of the commonwealth. It is an exceedingly delicate matter. We do not know about the future. We are here now to decide this most important matter and to discuss it, leaving aside all petty political considerations. We are here to do a good job in the interests of the Canadian people who elect us and who also elect the members of the legislatures. We must be fair to the Canadian people.

I believe in the separation of powers. I believe in the respective exclusive jurisdictions of Ottawa and of the provinces; but I believe that if we are to do something worthwhile as to the sovereignty of Canada, this is the time to do it. Before we go further by making amendments to the British North America Act the provinces should be consulted. I am sure that the representatives of the provinces will offer constructive suggestions so that the whole thing may be done in complete harmony without affecting the rights and privileges of minorities and of provinces.

I congratulate the government on taking up with the imperial parliament a matter of such great importance. I wish the Prime Minister (Mr. St. Laurent) good luck in his dealings with the imperial parliament and with the provinces. I am sure that the provinces will co-operate in adjusting matters so that the constitution will not be amended in the future as often as it has been amended in the past.

Mr. J. S. Sinnott (Springfield): Coming as I do, Mr. Speaker, from a western riding and believing as I do in my leader, I think I would be remiss in my duty if I did not say a few words tonight. Coming from possibly one of the most cosmopolitan ridings in Canada, I think I can say that my constituents view with great interest this resolution which is before the house. While we have today heard some hon. members of the opposition express their views on this matter, nevertheless they are not the views of my leader or those of the Liberal government. In view of the fact that my leader, before coming to this house, was regarded as one of the best constitutional lawyers in Canada, I do not think we on the Liberal side have anything to fear with regard to this resolution. We have had a long speech from the leader of the opposition (Mr. Drew); we have also had quite a lesson from the hon. member for Eglinton (Mr. Fleming) and also from the hon. member for St. John's East (Mr. Higgins). But nevertheless, this is a repetition of "kitty bar the door" tactics, as you might say, used in connection with the bill that was brought in to bring Newfoundland into confederation last session.

Mr. Smith (Calgary West): Where do you belong in the club?

Mr. Sinnott: If you will follow *Time* magazine, you can go back and get a college education. If this measure were to be considered in the same way as was the bill to bring in Newfoundland, it would be a long time before we could put this amendment through and call Canada a sovereign nation. I am sorry to say that many Conservatives

were born to look backwards; but Liberals were born to look forward. With these few words, I want to express to my leader the appreciation and gratitude of my constituents for this forward-looking legislation.

Mr. J. W. Noseworthy (York South): As one who has given some years to the study of Canadian history, and as a teacher of Canadian history, I have been intensely interested in the discussions that have taken place here this afternoon and evening. I want to make it clear that I am not speaking as a lawyer but rather as one who has followed Canadian history and our constitution. We all seem to be agreed, Mr. Speaker, upon the need for a revision of our constitution. Every group in this house appears to be agreed on the theory that the constitution should be revised within Canada by the Canadian parliament and without appeal to any outside power. Our difference of opinion arises in the matter of how that revision should be done. As I understand the resolution which is before us, it proposes that, in those fields over which the federal parliament has jurisdiction by virtue of the British North America Act, this parliament should take unto itself the right to amend the constitution without any consultation with the provinces. Those who oppose the resolution appear to oppose it on two grounds, the first of which is that it is a piecemeal job. They appear to object to the constitution being amended by what they call a piecemeal procedure. In the second place, they say that it should not be done without first having consultation with the provinces. The point I should like to call to the attention of the house is one which has already been emphasized by the Prime Minister (Mr. St. Laurent) and by others, and it is this. While many quotations can be given from the speeches of our political leaders, quotations which appear to support the theory that no amendment should be made to our constitution without reference to the provinces, throughout the years the actual practice of those same political leaders has been to amend the constitution, where federal matters only were concerned, without that consultation.

The Prime Minister gave us a résumé of the various amendments which have been made to the constitution. I should like to quote from this booklet sent out by the King's Printer in 1949, British North America Acts and Selected Statutes. In this we find the comments of Dr. O. D. Skelton, the then under-secretary of state for external affairs, to the special committee of the House of Commons on the British North America Act in 1935. He comments on each amendment made to the British North America Act from 1871 to 1935.

Concerning the amendment of 1871, an act the object of which was to settle doubt as to the competence of the Canadian parliament to establish new provinces out of the western territories, and to give them constitutions and representation in the federal parliament, he says:

> The procedure was that the act was passed by the United Kingdom parliament at the request merely of the Canadian government. There was no consent of or consultation with the provinces in 1871.

Then he states concerning the amendment of 1875, the object of which was to settle doubts as to the power of parliament under section 18 of the British North America Act:

> The procedure again was that this act was passed by the United Kingdom parliament, merely at the request of the Canadian government. . . . a resolution demanding parliamentary rather than executive action was introduced but withdrawn.

Concerning the amendment of 1886, the object of which was to empower parliament to provide for representation of territories in the Senate and House of Commons, he said:

> The provinces were not consulted, and did not ask to be consulted, though if the British North America Act was a treaty, modification in the representation in parliament, changing the balance of sectional power, might have been contended to require the consent of the existing provinces.

Then in 1907, after twenty years, there came the fourth amendment. This one is of particular importance, its object being to provide an increase in and a definite settlement of federal subsidies to the provinces. On this amendment there was consultation. He states:

> The procedure in this case was that the act was passed by the United Kingdom parliament in accordance with an address from the Senate and House of Commons based on a series of resolutions passed by a provincial conference in 1887.

Concerning an amendment of 1915, to increase the number of senators and alter the main senatorial divisions, the provinces were not consulted, and only one—Prince Edward Island—made representations before the House of Commons committee. Its representations were not accepted.

In respect of the amendment of 1916, the object of which was to lengthen the term of the existing parliament for one year, he states:

> The procedure was on an address by both houses. The provinces were not consulted and, as far as I can recall, they were not referred to in the debate.

Concerning the amendment of 1930, which was to ratify an agreement by Canada with the four western provinces, there was consultation.

Respecting the amendment of 1940, to include unemployment insurance among the classes of subjects enumerated in section 91, again there was consultation.

In respect of the amendment of 1943, to provide for readjustment of the representation of the provinces in the House of Commons of Canada, again there was no consultation.

Concerning the amendment of 1946 there was no consultation, although an amendment was made in the House of Commons and negatived by a vote of 108 to 42, the main motion being carried by a vote of 107 to 22.

My point is that notwithstanding all that has been said through the years by political leaders in this parliament, in actual practice from 1871 to 1946 it has been the custom of this parliament to make representations to the United Kingdom for amendments to the British North America Act in those matters concerning the federal parliament alone. Only in those instances where quite obviously the interests of the provinces were clearly implicated, as in 1907, 1930 and 1940, were the provinces consulted.

The question in my mind is why at this stage, after having followed that practice from 1871 to 1946, and after having acknowledged the right of the federal parliament to amend the British North America Act in matters affecting the federal parliament alone, we should accept the principle that the provinces must be consulted before parliament can amend the British North America Act in this respect.

I am sure hon. members will recall that in the past occasions have arisen concerning which amendments to the constitution were necessary, and under circumstances that would have rendered it exceedingly difficult to have secured either consultation with or the consent of the provinces. It is not unreasonable to suppose that in our future history many such occasions will arise again. I would hesitate to accept as a precedent at this time a procedure which would tie us to the practice of having to consult the provinces before even in an emergency any amendment could be made to the British North America Act on matters coming clearly within the jurisdiction of the federal parliament. Hon. members who have spoken seem to imply that those who are elected to the provincial legislatures have a greater source of wisdom or are much more interested in their provinces than are those elected to the federal parliament. It would seem to me that hon. members elected to this parliament are as interested in the welfare of their own provinces as are members elected to the provincial legislatures.

I doubt if members elected to this house would take steps that would deprive the provinces from which they come of any rights any more than would a member elected to a provincial legislature.

It has been argued that this is a piecemeal job but I suggest that every amendment that has been made to the British North America Act since 1867 has been a piecemeal job. I fail to see how we could possibly amend the British North America Act for all time. Any action that we took, any procedure that we followed, or any amendment that this parliament might make to the British North America Act would of necessity be in the nature of a piecemeal job. In the light of this reasoning I shall support the main motion.

Mr. W. J. Browne (St. John's West): Mr. Speaker, when one looks around the chamber and sees the large attendance of Liberal members—

An hon. Member: And Conservatives.

Mr. Gibson (Hamilton West): Are there any Conservatives here?

Mr. Browne (St. John's West): —he cannot help but realize the importance of this debate and how highly it is regarded by them. Newfoundland has been a member of this great confederation of provinces for only a short time. When we came here as members from that province we were ignorant of the procedure and customs prevailing in this great legislature. We were presented with large volumes of rules stating how the house should be conducted. We are now thrown into a constitutional disputation of the most fundamental character.

Hon. members will be interested to know that during the campaign for confederation in Newfoundland those who now constitute the Liberal party in that province advocated union with the great British country of Canada. Does it not seem strange to see how self-conscious two distinguished speakers on the other side of the house were this evening about being considered British? They indicated that the silken ties which still bind this country to the United Kingdom are still too tight around the necks of the Canadian people.

I do not think there is any doubt about the desirability of Canada having the power to amend its constitution. I do not suppose that that has been in dispute for at least thirty years and I doubt if anyone has stated publicly that Canada should not have that power. The question before the house, and it is an important one, is how that is going to be done. The hon. member for Temiscouata (Mr.

Pouliot) seemed to interpret the speech of the Prime Minister (Mr. St. Laurent) somewhat differently from what I would imagine he would interpret it himself. He said that when his leader got this power from parliament he would consult the provinces before introducing any amendment.

An hon. Member: He did not say that.

Mr. Browne (St. John's West): That is what the hon. member for Temiscouata said and it is for him to deny it if he wishes.

Mr. Pouliot: Does the hon. member object to it?

Mr. Browne (St. John's West): I think before I have finished the hon. member will agree with me to a greater degree than he does at the present time. There is no question in this house or in this country as to where the sovereignty of this country now lies. The hon. member for Temiscouata put forth a number of theories tonight that were as unrelated as anything possibly could be to this matter.

He took the trouble of making considerable research into the constitutions of Australia, South Africa and other dominions, and he read pertinent sections from those constitutions showing how they were bound in certain matters. I interjected to ask the hon. member if he could give an example of the disallowance by the king or queen of any law passed by those countries, but he evaded my question and I do not think he remembered to answer it before he sat down.

An hon. Member: He skated around it.

Mr. Browne (St. John's West): I have only one reason for speaking tonight. I am not as familiar as hon. members from the other provinces with the great constitutional questions that have been discussed here. I would not venture to offer an opinion on such a complicated matter if it were not for the fact that since 1933 or 1934 we have had to give some attention in Newfoundland to the development of constitutional procedure in the British commonwealth.

The hon. member for Temiscouata is too astute a student of constitutional history not to know that the power of disallowance as affecting Canada has not been exercised since 1873. He should not need to be told that. A law that has not been enforced in 76 years cannot be said to be impinging or reflecting upon the constitution or sovereignty of Canada. I doubt if he can state an occasion when the powers of disallowance were exercised by the royal sovereign in regard to Canada, South Africa or Australia.

Lord Balfour more than anyone else was responsible for the development of the theory of sovereignty, the equal status of the various dominions, and the Statute of Westminster. I have read all his speeches I could find on these subjects. He stated, I think in 1926, that as far back as 1914 he had given it as his opinion that the dominions had equal status in the commonwealth with the United Kingdom. There was no doubt at all about it after the Statute of Westminster. Surely hon. members do not need to be reminded of what is said in the preamble to the Statute of Westminster and how it acknowledges the sovereignty of the different dominions. In case some hon. members have not read it, perhaps I should quote it now. It reads:

> "Whereas the delegates to His Majesty's governments in the United Kingdom, the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa, the Irish Free State and Newfoundland, at imperial conferences holden at Westminster in the year of our Lord nineteen hundred and twenty-six and nineteen hundred and thirty did concur in making the declarations and resolutions set forth in the reports of the said conferences:
>
> And whereas it is meet and proper to set out by way of preamble to this act that, inasmuch as the crown is the symbol of the free association of the members of the British commonwealth of nations,—

The free association, Mr. Speaker.

> —and as they are united by a common allegiance to the crown, it would be in accord with the established constitutional position of all the members of the commonwealth in relation to one another that any alteration in the law touching the succession to the throne or the royal style and titles shall hereafter require the assent as well of the parliaments of all the dominions as of the parliament of the United Kingdom:
>
> And whereas it is in accord with the established constitutional position that no law hereafter made by the parliament of the United Kingdom shall extend to any of the said dominions as part of the law of that dominion otherwise than at the request and with the consent of that dominion:
>
> And whereas it is necessary for the ratifying, confirming and establishing of certain of the said declarations and resolutions of the said conferences that a law be made and enacted in due form by authority of the parliament of the United Kingdom:
>
> And whereas the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa, the Irish Free State and Newfoundland have severally requested and consented to the submission of a measure to the parliament of the United Kingdom for making such provision with regard to the matters aforesaid as is hereafter in this act contained:
>
> Now, therefore, be it enacted . . . as follows:
>
> 1. In this act the expression "dominion" means any of the following dominions, that is to say, the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa, the Irish Free State and Newfoundland.

The purpose of the Statute of Westminster was to acknowledge the equal status that had been decided in 1926 and which had, as Lord Balfour said, been recognized by the British government as far back as 1914.

Mr. Pouliot: May I ask a question?

Mr. Browne (St. John's West): Surely.

Mr. Pouliot: As an experienced lawyer, a member of the bar and the bench, will the hon. member tell the house since when the enforcing part of any enactment is in the preamble, as it is in the case of the Statute of Westminster?

Mr. Browne (St. John's West): I am afraid I do not understand your question.

Mr. Pouliot: I am sorry that the judge does not.

Mr. Browne (St. John's West): I am sorry; I am not quite sure what you mean.

Mr. Pouliot: I will ask it again.

Mr. Browne (St. John's West): All right.

Mr. Pouliot: In any statute there is always a part called the enforcing part of the legislation. The hon. member knows that. All I ask him is since when the preamble, which is only explanatory and has no enforcing effect, is the enforcing part of any legislation.

Mr. Browne (St. John's West): If I understand the hon. member correctly, he says that the preamble is not the enforcing part of a statute. I think as a lawyer he will recognize that in the consideration of any statute the preamble has to be taken into consideration. In a court of law the British government could hardly raise the point that it did not mean what it said in the preamble.

Mr. Pouliot: It was not written by lawyers but by two Fabians, Beatrice and Sidney Webb.

Mr. Browne (St. John's West): If the hon. member will have a little patience with me, as I did with him, I think I will satisfy him that he has no need to worry about where the sovereignty of Canada lies. What has happened since 1931? Where is the dominion called the Irish Free State now? Is it a member of the British commonwealth of nations now? Where did it get the power to secede from the British commonwealth of nations. It is not as far away as Canada is. No Atlantic ocean lies between the Irish Free State and the United Kingdom. Did the government of the United Kingdom make any effort to stop the secession of the Irish Free States and the setting up of a republic? If this country in its wisdom should decide tomorrow to set up a republic of Canada would the government of the United Kingdom intervene? Did the government of the United Kingdom intervene in the case of Burma, in the case of India, in the case of Ceylon?

Surely these questions, Mr. Speaker, admit of only one answer, that the Statute of Westminster meant what it said, that the countries named in that statute were sovereign, independent and equal in status with the United Kingdom. There is no question about that, and I am surprised that the hon. member should feel so great an inferiority complex as to think that Canada does not possess a right equal to those countries which have seceded from the commonwealth.

The Prime Minister (Mr. St. Laurent), in his very matter of fact statement this afternoon, took up at least half of the time of his speech in stating what everybody admits, that Canada should have full power to amend her constitution. He very fairly went on to point out that power was given to other countries like Australia and South Africa, but he said in Australia it did not seem to work very well. Why has it not worked very well? Because the constitution seemed to be rather rigid; the government seemed to be hedged around with impediments. On reflection will hon. members not agree that there was some deliberation on the part of those who prepared those constitutions? When you are dealing with a constitution you are dealing with something fundamental. You are building a solid foundation upon which the edifice of state is to be erected. Are you going to make some impermanent structure when you are laying the foundation? There is the analogy of this great temple in which we are tonight. How solidly it has been built. Should the constitution of Canada be built on a less solid foundation than the building in which we deliberate?

The governments of Canada and South Africa were hedged around with powers. It almost looks as if the laws that were passed were not to give power to make amendments but to prevent amendments. When you look at that great republic to the south of us, our great ally, the United States of America, the greatest country in the world bar none, what do we find? Can they amend their constitution overnight? Can they, by a simple majority in one house or in the other, amend their constitution from time to time? No, Mr. Speaker! In the 173 years or more since that great country became a republic how often have they amended their constitution? How difficult it is to amend the constitution of the United States is seen by the number of amendments, which is not more than twenty-one. Why? Because it is a most dangerous thing to give to any government so great a power, so vast a power over its subjects.

I honour the Prime Minister as much as his followers. He has, as I have said before, a great reputation for probity and integrity, but how long will we have a man like him

as the head of the government? Who knows but that tomorrow some scapegrace from amongst the Liberal party may take over?

Mr. Gibson (Comox-Alberni): Which one?

Mr. Browne (St. John's West): Is it wise to place such power in a government which might change overnight, which indeed might change from day to day? There is no guarantee that the Liberal party will be in power next year or the year after, certainly not after four years. Think of the uncertainty that would prevail in this or any other country if the government were given power to change the constitution whenever it suited it to do so.

That is not only my view. The Prime Minister (Mr. St. Laurent) is aware that many learned men in this country have given great consideration to this problem, and they are divided in their answers to the question of how the constitution should be amended. No one knows better than the mover of this resolution how difficult this subject is, and how thorny it is even in his own province. The leader of the government down there disagrees with him as to the method by which amendments should be brought about. According to "Problems of Canadian Sovereignty" by Dr. Ollivier, published in 1945, a member of the present government, the Minister of National Defence (Mr. Claxton), is quoted as having written in 1929:

> "It is apparent that the provinces would require some check on the federal power of free amendment. In providing this check, we shall endeavour to see that the constitution be made as flexible as possible; that the check, while provincial, should as far as possible emphasize the national rather than the provincial capacity of the people; and that the provinces and minorities be given the rights secured to them by the British North America Act and as intended by the fathers of confederation, no more and no less.
>
> Keeping in mind these considerations, it is suggested that power be given to the federal government to amend the British North America Act by federal act with the consent of the legislatures of five provinces or, alternately, at the option of the federal government, a favourable vote on a referendum of the majority of votes in the country and in at least five provinces. An amendment affecting the rights of a minority would require the consent of the province concerned or alternatively at the option of the federal government, a favourable vote of the electors in the province concerned. It will be realized that the number of possible arrangements is practically unlimited. Once the principle is agreed upon the method would be worked out by the federal and provincial governments."

What has caused the hon. gentleman to change his opinion? Is it a case of follow-my-leader, that everybody must have the same opinion? Have the twenty years that have elapsed since 1929 provided any substantial reason which would make the hon. member change the opinion he gave on that occasion? In addition, Dr. Skelton, who I believe was then under-secretary of state for external affairs, is quoted as opposing the present plan, together with no less a person than Dr. Beauchesne, who on the opening day of parliament was unanimously made an honorary officer of the House of Commons. He gave evidence, in 1935, before the committee on constitutional questions, suggesting the drafting of a new constitution by a constituent committee. This is what he said:

> The time has come, in my humble opinion, when the British North America Act, except as to minority rights, should be transformed and a new constitution more in conformity with present conditions should be adopted. Amendments here and there would be mere patchwork which could not last. The people of 1935 are different from those of 1867. What we want is a new constitution.

He was asked by what procedure it should be adopted, and replied:

> Drafting a constitution is a serious matter . . ."

He went on to suggest how it should be done, and how amendments should be made. I do not want to read too much on this point, except to indicate that here was a man acknowledged by all parties in this house to be an authority, who said this was a very serious matter and that we should have a new constitution. In support of that I would read from the speech from the throne, which said:

> You will also be asked to approve addresses praying the parliament of the United Kingdom to vest in the parliament of Canada the right to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the constitutional rights and privileges of the provinces or existing rights and privileges with respect to education or the use of the English and French languages.

That is the resolution we are dealing with tonight. But the speech from the throne goes on:

> My ministers will seek to arrange for early consultation with the provincial governments with a view to agreeing upon an appropriate procedure for making within Canada such other amendments to the constitution as may from time to time be required.

Well, despite the reluctance of the hon. member for Temiscouata (Mr. Pouliot) we will still have to present to His Majesty an address praying that we may have the constitution amended. I am sure my hon. friend does not want that situation to continue.

Early in my remarks, Mr. Speaker, I said that we in Newfoundland had some experience with constitutional questions, and I advanced that as a reason for speaking this evening. As all hon. members know, that constitution was altered when we became a province of Canada on April 1. Here are some of the things that happened within a short time, I should say less than a month after April 1. The upper house was abolished. The number of portfolios was increased to

twelve. Under commission government there had been only six portfolios: natural resources, justice and defence, home affairs and education, public works, finance and customs, public health and welfare. Now, though customs have been taken away and posts and telegraphs have been taken away, the number of departments has been increased to twelve. In the old legislature of Newfoundland, before 1934, the sessional indemnity was $600 a year. That has been jacked up to $2,500. Ministers used to receive $2,600. That has been increased to $7,000. Prior to 1934 the franchise in Newfoundland was exercised by men over twenty-one and women over twenty-five. Now women over twenty-one have a right to vote. The representation has been increased by one member and finally, to make Newfoundland conform with other provinces of Canada, the life of the legislature was extended by one year. All these things took place within a month. What might happen in this country if the parliament of Canada were given unlimited power to amend the constitution? Those are some of the things that could be done by a government possessing a majority in this house and in the other place. They could abolish the Senate, which I am sure we all agree would be a terrible calamity. That could be done overnight. The government could give jobs to all its supporters. As the hon. member for Rosetown-Biggar (Mr. Coldwell) said, it could extend the life of parliament. Why not give everyone in this house life membership, as they have in the Senate? That could be done, and I am sure it would be a popular move. The only thing that would stop actions like these would be the common sense, not of the people of Canada but of those responsible for the government of this country. But we do not always have a good government.

In this country we have been fortunate in that, for many years, Canada has been blessed with good governments—Conservative and Liberal alike. Today Canada is highly respected amongst the nations of the world. The hon. member for Rosetown-Biggar (Mr. Coldwell) said that those who attended conferences abroad were sometimes shocked at being asked such questions as, "How do you amend your constitution?" "What kind of court of appeal have you?" "Where is the final court of appeal?" I do not think ordinarily intelligent men outside this country are much impressed by that sort of thing. They look at Canada's achievements. They look at the part we take in world affairs, the part we took in two wars, and all the things the Prime Minister advanced as reasons why Canada should have the power to amend its constitution. Canada has no reason to be self-conscious. Canada has no reason to have any inferiority complex. Our country stands high on the list of nations today. I do not think it will stand one bit higher if the procedure outlined by the Prime Minister or the hon. member for Temiscouata (Mr. Pouliot) were followed.

I have a further suggestion to make in support of what Dr. Beauchesne said with respect to how the constitution of Canada ought to be amended. If the hon. members of this house are really serious, Mr. Speaker, about the sovereignty question that they have raised, how should the amendment of our constitution be accomplished? There should be a dominion-provincial conference. The whole question should be discussed from beginning to end, a new constitution drafted and the British North America Act repealed.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, a good deal has already been said about this subject today, but there are certain aspects of what is being done which I do not think have been clearly brought to the attention of the house and the country. I refer not so much to the immediate consequences of the passing of this resolution, if we were to pass it, as to the long-range view of what the situation will be if the principle of this resolution were adopted. If that principle is adopted, a well-conceived, deliberately executed plan to alter not only the method of amending the constitution but the very nature of the constitution itself will be brought to consummation. It is that position which I think it is important for the house and the country to realize before taking this next step which we are being asked to take in the resolution being discussed tonight.

I notice that the Prime Minister regards himself as so fully acquainted with what is being done that he apparently feels the matter does not warrant his presence in the house. It is nearly eleven o'clock, Mr. Speaker, so the debate will continue tomorrow and the Prime Minister will have an opportunity of saying then whether or not the consequences which I am going to suggest will flow from this resolution, and which are not the consequences he has so far indicated will be the result of the resolution, will in fact be the result of the adoption of it. He will have the opportunity of saying whether or not the situation will make for those difficulties and conflicts in Canada in the future, to which the right hon. gentleman has deliberately and conveniently avoided referring in the explanation which he gave this afternoon.

By a process which we have seen developing over the past two or three years, by steps which I shall outline in the course of my remarks, we see a development taking place

which, if the principle of this resolution is adopted, will result in the control of the constitution being delivered into the hands of this federal parliament. Apart altogether from any question of whether the constitution is a compact, a treaty or a statute, apart altogether from the rights or wrongs of that discussion, in the past the greater volume of opinion has held that the constitution embodies an arrangement arrived at in good faith between the parties to confederation, and that this arrangement was not to be changed unilaterally, nor to be changed in important respects without proper consultation and a measure of agreement arrived at in good faith between those parties or their successors.

I do not take the view that the constitution should never be changed; nor do I take the view that consent is necessary for every particular change that it may be desired to make. I certainly subscribe to the view that the constitution should be a living, growing thing. I would not go so far as to say, however, that it should be made easy to change it. The hon. member who last spoke pointed out that the constitution is a broad base upon which the state is erected. If the state, and the rights of the people who make up that state, are to have any secure foundation, then the constitution itself must rest upon a secure foundation. This whole concept of the constitution is very different from that approach which says—and this is the position taken by the right hon. gentleman and it is a position which is the consummation of each of those steps of which this resolution is the final one—that the constitution can be changed by a majority vote of the Canadian parliament. That position makes the constitution a creature of the Canadian parliament, which certainly could never be said to have been the intention of the fathers of confederation when the constitution was designed; it has never been the intention or the position of any political constitutional authority in Canada. By that I mean any person having to exercise the responsibility of government.

So far as my study goes, I believe I may say it was never the position of any government until that principle was enunciated by the right hon. Prime Minister in 1946 when he was minister of justice. I believe it is important for us to trace the course which is now being followed as it has developed step by step over the past few years. I start with the statement made by the Prime Minister in 1946 when he was minister of justice to the effect that section 133 of the British North America Act could be amended by a simple majority vote of this parliament. I have to say that the right hon. gentleman is entitled to all respect for the consistency with which he has maintained that position. There is no doubt that is his view. He stated it in this house and he repeated it in his comments earlier this session. The fact that it is his view, and has been his view consistently, does not necessarily make it right. It certainly does not alter the fact that it is a view diametrically opposed to the views of those who thought that, whether the constitution be a compact, treaty or statute, there were certain inalienable, fundamental features of that constitution which could not be changed by a unilateral act of one partner to the confederation. That was, therefore, the first departure from previously accepted principles.

Then we go on to the next step, which is to be found in the statement made when the redistribution act was passed in 1946 when a position was taken to the effect that the dominion parliament has the right to say which matters are matters affecting the provinces and which are matters affecting only the dominion. Surely, Mr. Speaker, anyone taking a reasonable view of the position of our provinces would be entitled to assume that a matter of great concern to them is their representation in this House of Commons. Can anything much more directly affect the provinces?

Let us look at what is an obvious example. The Minister of Justice (Mr. Garson) is in his seat tonight. Would he not think that it was a matter affecting the rights of his province of Manitoba if it were to be said that his province's representation should be cut from its present number down to ten, without any justification on the basis of its population? Would he not think that a matter affecting the rights of his province? Would not every province placed in that position think so? But that is the logical conclusion from the position taken by the present government when the redistribution act was being passed, when it was said that in the matter of representation in the House of Commons the number of members from each province is a matter for the federal parliament alone and is in no sense a matter for provincial concern; and that therefore changes in the basis of representation, amendments to the British North America Act governing the very system of representation, can be made in spite of the previously accepted position, and were in fact made initially, by the simple action of a majority in the Canadian parliament.

If that is the position, namely, that change in its representation in this house is not a matter for provincial concern or one on which a province is entitled to be consulted, what more vital matter could be found? If there is no room for consultation on the matter of

representation, nor any room for provincial rights in that matter, it does not take much of an extension of that principle before we arrive at the position that the federal parliament has the right to say what changes will be made with respect to any matter, simply because it says that the provinces are not concerned, that provincial rights are not involved and that it is a matter of concern only to the federal parliament.

Then we come to the departure from the provisions of the British North America Act in the matter of the admission of Newfoundland into confederation. I am not going to revive that debate, except to say this. The one and only point at issue at that time was that Newfoundland was brought into confederation by a method which constituted a complete and radical departure from the method laid down in the British North America Act; and that departure again, in a matter affecting a future province of Canada, was effected by unilateral procedure without any form of consultation with the provinces. Perhaps no one of these things, taken by itself, would seem to be a cause for great alarm; but it is the constant accumulation of steps, the unfolding of the process step by step towards the assumption of control and ownership by this parliament of our constitution, a process which we see resulting in the position being established that the constitution is the exclusive property of the Canadian parliament, which gives concern to those who see these steps being taken.

Then the next step was the position taken that the abolition of appeals to the privy council was a matter of exclusive concern to the federal parliament or a matter on which the federal parliament alone had the right to act, without consultation with the provinces, although the provinces under the British North America Act had the right to appeal to the privy council. It is a fact that by that single unilateral act of this House of Commons the provinces have been deprived of a right which was formerly theirs, namely, the right of appeal to the privy council.

Mr. Blackmore: One of their most precious rights.

Mr. Fulton: As the hon. member for Lethbridge (Mr. Blackmore) has just said, many of the provinces regarded it as one of their most precious rights. A highly disturbing feature of this process to those who see it unfolding is that it is largely true to say that, as these steps have succeeded each other with ever-increasing rapidity, in each case it has been a little easier to take that step, and that it has aroused a little less interest and a little less controversy in the house and throughout the country.

On motion of Mr. Fulton the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. Fournier (Hull): Tomorrow we will continue this debate. If it is concluded, we will take up second reading of Bill No. 12, to establish the Canadian Overseas Telecommunication Corporation and then second reading of Bill No. 62, respecting forest conservation. If those matters are disposed of we will move to go into supply, call one new department, and proceed with the estimates of the departments of Agriculture and Veterans Affairs.

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

APPENDIX

BRITISH NORTH AMERICA ACT—PROCEDURE IN AMENDMENTS

TEXT OF LETTER ADDRESSED BY THE PRIME MINISTER TO THE PREMIERS OF ALL THE PROVINCES

Office of the Prime Minister

Ottawa, September 14, 1949.

My dear Premier:

For some time the government has been giving consideration to devising a satisfactory means of removing the necessity, on every occasion on which an amendment to the British North America Act is required, of going through the form of having the amendment made by the parliament of the United Kingdom. It does not accord with the status of Canada as a fully autonomous nation that we should be obliged to have recourse to the parliament of another country, however close our association with that country, to determine our own affairs. Moreover, it has been made increasingly clear to the government that the parliament of the United Kingdom has no desire to perpetuate the existing anomalous situation any longer than is absolutely necessary.

Before the recent election I stated on several occasions that it was the view of the government that a method should be worked out to amend our constitution in Canada, and that any such method should include the fullest safeguards of provincial rights and jurisdiction, and of the use of the two official languages and of those other rights which are the sacred trust of our national partnership.

I stated also that it was the intention of the government, after the election, to consult the provincial governments with a view to working out a method of amending the constitution in Canada, which would be satisfactory to all Canadians.

My colleagues and I recognize that the working out of a satisfactory method of making all kinds of amendments will not be easy, and the government has accordingly decided to submit to our parliament, at the forthcoming session, an address requesting an amendment of the British North America Act by the United Kingdom parliament which would vest in the parliament of Canada the authority to amend the constitution of Canada but only in relation to matters not coming within the jurisdiction of the legislatures of the provinces, nor affecting the rights and privileges of the provinces, or existing constitutional rights and privileges with respect to education and to the use of the English and French languages.

Such an amendment would give the Canadian parliament the same jurisdiction over the purely federal aspects of our constitution that the provincial legislatures already possess over the provincial constitutions, while giving both to provincial rights and jurisdiction and to the historic rights of minorities an express assurance of legal protection which we feel they should have.

We recognize that amendments may be required from time to time in the national interest of those provisions of the constitution which concern both federal and provincial authorities, and that it would be desirable to devise a generally satisfactory method of making such amendments in Canada whenever they may be required.

The federal government would appreciate the opportunity of consulting with the governments of all the provinces on this matter in the manner most convenient to the provincial governments, at an early date after the conclusion of the forthcoming session of parliament. If the provincial governments should desire, meanwhile, to have a preparatory conference of constitutional experts, we would be ready to have federal officials participate.

Our aim is to reach agreement, as soon as possible, on a method of amendment which will relieve the United Kingdom parliament of an embarrassing obligation, and establish within Canada full and final responsibility for all our national affairs.

To this end we are inviting the co-operation of your government and the governments of all the other provinces of Canada.

Yours sincerely,

Louis S. St. Laurent

CORRESPONDENCE WITH PREMIERS OF PROVINCES

Province of Newfoundland

Office of the Premier

St. John's,

October 4, 1949

Right Hon. Louis S. St. Laurent, M.P., P.C.,
Prime Minister of Canada,
Ottawa.

Dear Mr. St. Laurent,

I hope you will overlook the delay which has occurred since you wrote me on September 14, with regard to finding a suitable new procedure for amending the British North America Act.

I was in Ottawa when you wrote, and your letter was here when I got back. I have brought the matter to the attention of the government of Newfoundland, and they share fully my view that we, for our part, agree with you and your government that a new procedure should be found. We will be happy to co-operate with you in the endeavour. We will be ready at any time after prorogation of parliament to meet with you at Ottawa.

Awaiting your further advice, and with all good wishes,

Very sincerely yours,

J. R. Smallwood,
Premier

Office of the Prime Minister
Canada

Ottawa, October 6, 1949

Honourable J. R. Smallwood, M.L.A.,
Premier of Newfoundland,
St. John's, Newfoundland.

My dear Premier:

I wish to acknowledge your letter of the 4th instant regarding the proposed consultation with the provincial governments with regard to the procedure for amending the constitution.

I thank you for the assurance of the readiness of the government of Newfoundland to co-operate in the endeavour to establish a new procedure, and I shall advise you in due course of our proposals respecting a conference for the purpose.

Yours sincerely,

Louis S. St. Laurent

The Premier
Halifax

September 27, 1949

My dear Prime Minister,

Let me acknowledge, and thank you for, your letter of September 14 in which you deal with the question of devising a method of amending the British North America Act in Canada.

I note that the federal government would be appreciative of an opportunity of consulting with the governments of all the provinces on this matter at some convenient date after the conclusion of the current session of parliament. The government of Nova Scotia will be glad to have a representative or representatives at any conference to be called for consideration of this important matter. I doubt that a preparatory conference of constitutional experts should be held before a general conference between representatives of the dominion and the provinces.

I observe that the Minister of Justice has introduced a bill for the abolition of appeals to the privy council. It seems to me that the abolition of appeals to the privy council might well form the subject of study by such a general conference as is envisaged in your letter. I beg to suggest, therefore, that final consideration of the bill now before the House of Commons be deferred until the conference suggested in your letter will be held. There is, I believe, considerable support for the view that the abolition of appeals to the privy council is in effect an amendment of the constitution and that, therefore, it is a question which should be the subject of discussion at the dominion-provincial conference which you suggest.

Yours sincerely,
Angus L. Macdonald

The Right Honourable Louis S. St. Laurent, P.C.,
Prime Minister of Canada,
Ottawa, Canada.

Office of the Prime Minister

Ottawa,
October 3, 1949

Honourable Angus L. Macdonald, P.C., M.L.A.,
Premier of Nova Scotia,
Halifax, N.S.

My dear Premier:

I wish to acknowledge your letter of September 27, regarding the proposed consultation with the provincial governments with regard to the procedure for amending the constitution.

I thank you for the assurance of the readiness of the government of Nova Scotia to participate in a conference for this purpose, and I shall advise you in due course of our proposals in that connection. I have duly noted your observations regarding a preparatory conference of experts and will place them before my colleagues when I have been advised of the attitude of all the provincial governments.

I have discussed with my colleagues the suggestion contained in your letter that final consideration of the bill to abolish appeals to the privy council be deferred until after the proposed conference between the federal and provincial governments. We feel, however, that, since the judgment of the privy council indicated clearly and unequivocally that the federal parliament possesses exclusive jurisdiction to legislate respecting a final court of appeal for Canada, it would not be an appropriate subject for consultation with the provincial governments, but that parliament should, without further delay, discharge the responsibility placed upon it by the constitution.

Yours sincerely,
Louis S. St. Laurent

Appendix

Premier's Office
Prince Edward Island

September 26, 1949

The Right Honourable Louis St. Laurent,
Prime Minister of Canada,
Ottawa, Canada.

Dear Mr. St. Laurent,

With reference to your letter of September 14, I shall be pleased to attend a conference to discuss amendments to the constitution if and when it is held.

Yours very truly,
J. Walter Jones

The Premier
Fredericton

September 16, 1949

Dear Mr. Prime Minister:

I am this day in receipt of your letter of September fourteenth which has reference to a method of procedure for amending the constitution without resort to the parliament of the United Kingdom.

While I have had no opportunity to discuss the matter with them I am sure that my colleagues would concur with me in a willingness to attend a conference between the dominion and the provinces to discuss this important matter.

Furthermore, if preliminary studies are generally considered desirable, I am sure you can count on this province being represented at any such preparatory conference.

Yours sincerely,
John B. McNair

Right Hon. Louis St. Laurent
Prime Minister of Canada
Ottawa, Canada

Office of the Prime Minister
Canada

Ottawa,
September 26, 1949

Honourable John B. McNair, M.L.A.,
Premier of New Brunswick,
Fredericton, N.B.

My dear Premier:

I wish to acknowledge your letter of the 16th instant regarding the proposed consultation with the provincial governments with regard to the procedure for amending the constitution.

I thank you for the assurance of the readiness of the government of New Brunswick to participate in a conference for this purpose, and I shall advise you in due course of our proposals in that connection. As to a preparatory conference of experts, the government is awaiting word as to the attitude of all the provincial governments before deciding whether it would be helpful for us to take any initiative in arranging such a meeting.

Yours sincerely,
Louis S. St. Laurent

Office of the Prime Minister
Province of Quebec

Quebec, September 19, 1949

Right Honourable Louis S. St. Laurent,
Prime Minister of Canada,
Ottawa.

Mr. Prime Minister:

On Friday, September 16, your letter of the 14th instant, concerning amendments that you mention regarding the British North America Act, was delivered to my office.

Appendix

I shall submit the contents of your letter as soon as possible to my colleagues in the executive council, and I shall write you again on this subject.

Please accept my best wishes.

M. L. Duplessis

Office of the Prime Minister
Province of Quebec

Quebec, 21 September 1949

Right Honourable Louis S. St. Laurent,
Prime Minister of Canada,
Ottawa.

Mr. Prime Minister:

The members of the executive council of the province have today considered the letter which contains the very important constitutional changes that you mention. This was the first cabinet meeting since your letter was delivered to my office last Friday.

It is, I believe, not necessary to reiterate that the present government of Quebec is in favour of Canadian autonomy, but that it also firmly respects the autonomy of the provinces, particularly that of Quebec.

Provincial authorities in Quebec are always ready to participate in a Canadian intergovernmental conference seeking to study beforehand and apply subsequently the most appropriate and most just methods to give effect to the rights, prerogatives and liberties of the central authority, as well as the provincial authorities.

You write that your colleagues and yourself recognize that it will not be easy to find a satisfactory and general method of amending the constitution.

Evidently the many problems with which we would be confronted in amending our constitution require study and an appropriate delay, and also the co-operation of all the interested parties, that is to say, the governments of the provinces and of the country.

The Canadian constitution is not the work of an hour, nor is it the realization of hasty decision nor the realization of a single political party or single government. It seems to me that each and every one of us can profit by the example given to us by the fathers of confederation, who let the project ripen, and obtained, before deciding anything, the opinion and approbation of the administrations as well as of the statesmen of the time belonging to different parties, different races and different religions.

The government of Quebec, in accord with the highest constitutional and political authorities, without distinction as to race or party, is of the opinion that the British North America Act is a pact concluded between the four pioneer provinces, Lower and Upper Canada (Quebec and Ontario), New Brunswick, and Nova Scotia.

We share also the opinion expressed by the Hon. Honore Mercier, former premier of the province of Quebec, who declared, as did many other Canadian statesmen: "The existence of the provinces preceded that of the dominion; it is from them that it received its powers. They are sovereign within the limits of their attributions, and any interference with this sovereignty is a violation of the federal pact."

From this it follows that it is necessary that amendments which are to be proposed to the Canadian constitution should be submitted initially for the consideration and approbation of the provinces which gave birth to the central authority.

You declare in your letter that your government has decided to submit to the federal parliament at the present session an address praying the parliament of the United Kingdom to confer upon the parliament of Canada the right to amend the constitution of Canada, but only in relation to matters not coming within the jurisdiction of the legislatures of the provinces, nor affecting the constitutional rights and privileges of the provinces, nor the existing rights and privileges in the matter of education or relating to the use of the French and English languages.

Do you not think that it would be arbitrary on the part of the federal government to decide *ex parte* and of its own authority which are federal rights and which are the rights of the provinces? It seems clear to us that it does not belong to one of the parties to a multilateral contract to declare itself the supreme arbitrator in the interpretation of this contract and to assume of its sole authority rights which profoundly concern the other contracting parties.

Do you not think that such an attitude would be incompatible with Canadian unity, well understood, detrimental to desirable Canadian co-operation and contrary to the true interests of the country?

In our opinion the Canadian constitution is a pact which cannot be amended in a unilateral fashion. We believe that an ounce of prevention is worth a pound of cure, and it is appropriate that the provinces should be consulted beforehand rather than be left in the presence of an accomplished fact.

We therefore ask, Mr. Prime Minister, that you delay all legislation relating to the federated pact and call together, in the first place, the interested parties, in order that they may study together, in a spirit of co-operation, the vital problems which are connected with all amendments to the British North America Act.

Please accept my good wishes.

M. L. Duplessis

Office of the Prime Minister
Canada

Ottawa, September 28, 1949

The Honourable Maurice Duplessis, M.L.A.,
Premier of Quebec,
Parliament Buildings,
Quebec, Que.

My dear Premier:

I duly received your letter of the 21st September, in which you set out the attitude of your government respecting the constitutional proposals referred to in my letter of September 14.

I am pleased that you have said that the provincial authorities of Quebec are ready to participate at any time in a conference between the various Canadian governments with the object of examining and applying the right and proper methods of giving effect to the rights, prerogatives and liberties of the central authority and the provincial authorities.

I note also that you reiterate the opinion that the British North America Act is a compact entered into by the four original provinces. Without at this time entering into any debate regarding this opinion or the consequences which flow from it, I would simply recall that historically the federal authorities have always proceeded, when there was a question of making amendments to this act which touched exclusively on something within federal jurisdiction, by taking it for granted that those sections at least of the act do not have the character of a contract, but are rather statutory provisions capable of being amended by the legislative authority which enacted them.

In the present circumstances we do not ask anyone else to renounce a contrary opinion, but we believe we should proceed in the same fashion as has been done in the past. We believe that there is a line of demarcation (and that it makes

very little difference whether this demarcation was by contract or by statute as long as it is respected) between what is exclusively in the federal domain, what is exclusively in the provincial domain, and what is of concern both to the federal and provincial authorities.

I stated in the House of Commons the other day that it was my personal opinion that it would be arbitrary for us to attempt to decide ourselves in a definitive way what was on one side and what was on the other side of this line of demarcation, and that I believed it was desirable, when transferring from the parliament of Westminster to the parliament of Canada the right to make amendments respecting matters which were exclusively of federal interest, that we should use language which would leave to the courts in case of dispute the task of determining the line of demarcation.

We do not ask you to renounce the opinion that you express in your letter, but we do not believe that you will expect us to renounce the one which has been constantly followed in practice in securing the different amendments which have been made to the British North America Act between 1871 and 1949.

I believe that what we suggest offers a practical means of achieving something without either of us on one side or the other having to acquiesce in an opinion that he does not feel he should admit.

The provinces have always had the right of amending their constitution except as respects the office of lieutenant governor. As for the federal authorities, every time they have considered it advisable to amend the provisions which concern them exclusively—and that has seemed advisable about ten times since 1867—they have had to have the amendment made by the parliament of Westminster.

When we have secured for the federal parliament the right to make these amendments instead of having only the right to have them made at Westminster at the request of our two houses of parliament, the problem will remain of providing for amendments, if any should ever be necessary, to the provisions which are not subject to amendment either by the federal parliament alone or by the provincial legislatures alone.

What we wish to examine with the provincial governments is what would be the right and proper procedure in this respect, and we wish at the same time to make provision in the constitution for express guarantees for the autonomy of the provinces, both with respect to their jurisdiction and to their rights and privileges, as well as for the rights and privileges with respect to education and the use of the French and English languages.

It is our hope that, subject to any reservations you may consider proper, your government will take part in such a conference.

Yours sincerely,

Louis S. St. Laurent

Office of the Premier
Province of Quebec

Quebec, October 5, 1949

Right Honourable Louis S. St. Laurent,
Prime Minister of Canada,
Ottawa.

Mr. Prime Minister:

At the first meeting of council, held today, I submitted your letter of the 28th of September regarding constitutional changes which you have recommended, for the consideration of my colleagues.

You write: "I would simply recall that historically the federal authorities have always proceeded, when there was a question of making amendments to this act which touched exclusively on something within federal jurisdiction, by taking it for granted that those sections at least of the act do not have the character of a contract, but are rather statutory provisions capable of being amended by the legislative authority which enacted them".

Permit me respectfully to recall to you that your interpretation does not correspond with that of the fathers of the federative pact in the parliament of Westminster in 1867. Lord Carnarvon in the House of Lords, and the Under-Secretary of State for the Colonies, Mr. Adderley in the House of Commons, have said as follows:

Lord Carnarvon: "The Quebec resolutions, with some slight changes, form the basis of a measure that I have now the honour to submit to parliament. To those resolutions all the British provinces in North America were, as I have said, consenting parties, and the measure founded upon them must be accepted as a treaty of union."

Mr Adderley: "If, again, federation has in this case specially been a matter of most delicate treaty and compact between the provinces . . . it is clearly necessary that there should be a third party *ab extra* to give sanction to the treaty made between them."

It seems evident to us that Lord Carnarvon and Mr. Adderley were fully aware of what they were discussing, that they were acting in good faith, and that they did not wish to mislead those who were interested, by statements which were not correct.

In addition, our Canadian statesmen of different political allegiances and different races have also expressed on several occasions the opinion that the act of confederation is a pact or a treaty.

We are persuaded that if the province of Quebec had believed that the federative act represented simply a piece of legislation always susceptible of being amended at the sole wish of the federal authorities, it would not have given its consent.

It seems clear to us that at the moment of confederation the statesmen of the time had in mind and sought confirmation of a pact or treaty. Further, there are several privy council judgments to the effect that not a law but a pact is involved.

If, as you have written, and once more we respect your opinion without sharing it, the Canadian constitution is a law which does not offer guarantees of permanence and stability as such, because it is subject to all modifications, how would a new law, also subject to amendments, offer greater guarantees?

Do you not believe that the many vital problems involved in an amendment of the Canadian constitution are of such magnitude that it is fitting that they be studied and given mature consideration, before proposing them, and even more before adopting them?

You invoke federal precedents for the proposed method of amending the constitution. Do you not believe that bad precedents ought not to be multiplied?—and moreover, none of the precedents to which you have referred has the importance nor is so far-reaching as what you now propose. We must not forget that very important amendments to the Canadian constitution, though not as important as those which you propose, have been made despite the opposition of the province of Quebec. In our opinion the more numerous the bad precedents are, the more necessary it is to put an end to them and to cease multiplying them.

I repeat that the present government of Quebec is in favour of the autonomy of Canada, but that it also holds firmly to respect for the autonomy of the provinces and of Quebec in particular.

I should like to renew the assurances that the provincial authorities in Quebec are always ready to take part in a Canadian intergovernmental conference whose aim would be to study beforehand and apply subsequently the most appropriate and

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just methods to give effect to the rights, prerogatives, and liberties of the central authority as well as of the provincial authorities.

Once more I draw your attention to the fact that the Canadian constitution did not result from hasty decisions, nor was it the realization of a single political party or of a single government.

We renew our request, Mr. Prime Minister, that you agree to postpone all legislation concerning the federative pact and call together initially the interested parties to study together in a spirit of co-operation the vital problems involved in an amendment to the British North America Act.

Yours sincerely,

M. L. Duplessis

Office of the Prime Minister

Ottawa, October 13, 1949

The Honourable Maurice Duplessis, M.L.A.
Premier of Quebec,
Parliament Buildings,
Quebec, Que.

My dear Premier:

I duly received your letter of the 5th instant with further reference to the constitutional changes proposed by the federal government, and I submitted it to my colleagues yesterday.

In your letter we were surprised to read the following paragraph:

"If, as you have written, and once more we respect your opinion without sharing it, the Canadian constitution is a law which does not offer guarantees of permanence and stability as such, because it is subject to all modifications, how would a new law, also subject to amendments, offer greater guarantees?"

That is not the position of the federal government at all. We do not claim, and have never claimed, that the federal authorities have any such sweeping right in respect to amendments to the constitution.

What we do claim, and what we propose to secure at the present time, is a practical method of having made in Canada, by the federal parliament alone, not "all amendments" to the constitution, but only amendments relating to provisions of the constitution which are the exclusive concern of the federal authorities.

We believe we already have the right to have such amendments made without consulting the provincial authorities, just as the provincial legislatures have the right, without consulting the federal authorities, to make themselves, any amendments they consider desirable of those provisions which concern them exclusively.

In order to secure a declaration that such amendments can be made by the federal parliament instead of having them made by the parliament at Westminster, we propose to use the procedure used in securing amendments in the past.

The amendments already made within the federal sphere have had beneficial results, notably those of 1943 and 1946, which assured to the population of Quebec a more equitable representation in the federal parliament.

In your opinion this procedure and these precedents are unsound. To that opinion we can only reply that "we respect your opinion without sharing it," and that, as in the past, there is no obligation to ask for your consent or your acquiescence.

We now believe that a change of venue for future amendments is desirable. We believe that, rather than have them made by a parliament representing the citizens of the United Kingdom, future amendments to our constitution should, depending upon the subject matter of the amendment, either be made by parliament alone or parliament and the legislatures, which represent the citizens of Canada.

There is no doubt about our power to have this change of venue made without consulting the provincial authorities and without their acquiescence, "except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces, or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province, or to any class of persons with respect to schools or as regards the use of the English or the French language."

We claim we also have the right to have this change of venue made, without the consent or acquiescence of the provincial authorities. We cannot therefore accede to your request to postpone all action until there has been an understanding with the provincial authorities.

Once this first step has been taken, the federal authorities will be in the same position as the provincial authorities. If, under the pretence of making an amendment to the provincial constitution, a legislature encroaches on matters coming under federal jurisdiction, the courts would declare such an amendment ultra vires. The same rule will apply to federal legislation: to be valid, it will have to avoid encroaching on matters assigned exclusively to the provincial legislatures, or on rights or privileges granted or secured to the legislature or government of a province or to any class of persons with respect to schools, or as regards the use of the English or French language. If ever there should be legal disputes as to the validity of such federal legislation, the courts would be called on to decide them.

But there will remain, as I stated in my letter of the 28th of September, the problem "of providing for amendments, if any should ever be necessary, to the provisions which are not subject to amendment either by the federal parliament alone or by the provincial legislatures alone".

So long as the federal and provincial authorities have not agreed upon a right and proper procedure in this respect, all such amendments will remain within the jurisdiction of the parliament in London, instead of here in Canada.

There will also remain the problem of embodying in the constitution express legal safeguards of the rights of the provinces and of minorities which are not there now. All these things can be done, and we believe they should be done, and, when we of the federal government have accomplished all that we believe we can have done by ourselves, I shall renew the invitation to you to confer with us and representatives of the other provincial governments in order to devise means of completing the task of having transferred to the Canadian authorities what remains of the jurisdiction of the parliament in London over Canada's domestic affairs.

Yours sincerely,

Louis S. St. Laurent

Office of the Prime Minister
and President of the Council

Toronto, Ontario,
October 7, 1949.

Dear Mr. Prime Minister:

I have your letter of the 14th September relative to the amendment of our constitution. I shall be glad to attend the conference which you refer to, and which it is proposed to hold shortly after the present session of parliament.

I agree with your observation that the working out of a satisfactory method of making all kinds of amendments to the constitution will not be easy. I can assure you that we are prepared to give all proposals the utmost consideration. I am frankly in some doubt as to the advisability of dealing

with the matter piecemeal without first attempting general agreement. Obviously, matters which are purely a federal concern will have to be delineated from time to time by the courts. My consideration of the matter leads me to believe that abolition of appeals to the privy council may affect this very important side of matters more than is generally realized. Following my conversation with you the other day, Mr. Garson wrote to me and I expressed some of my doubt in the matter in a letter under yesterday's date.

I make these observations because of the difficulties which were inherent in this whole matter. As stated, I shall attend the conference and, if it should appear desirable to have a preparatory conference of constitutional experts, we shall be prepared to participate.

Very sincerely yours,

Leslie M. Frost

The Right Honourable
Louis S. St. Laurent, K.C.,
Prime Minister of Canada,
Ottawa, Canada.

Office of the Prime Minister

Ottawa, October 13, 1949.

The Honourable Leslie M. Frost, M.L.A.,
Premier of Ontario,
Parliament Buildings,
Toronto, Ontario.

My dear Premier:

I have just this afternoon received your letter of the 7th instant, replying to mine of the 14th of September, relative to the amendment of our constitution.

As I am obliged to leave Ottawa in a few minutes and will be absent for two or three days, I am sending this acknowledgment at once and confining myself to expressing appreciation of your expression of the willingness of the Ontario government to participate in a conference to consider a suitable method of amending the constitution in Canada.

Yours sincerely,

Louis S. St. Laurent

Province of Manitoba

Office of the Premier
Winnipeg

October 6, 1949

The Right Honourable Louis S. St. Laurent, K.C.,
Prime Minister of Canada,
Ottawa, Canada.

My dear Prime Minister:

I am in receipt of your letter of September 14, 1949.

The government of Manitoba would be pleased to discuss with the federal government and the governments of the several provinces the questions mentioned by you at any time and place that is mutually convenient.

Your letter indicates that your government has already decided to ask the United Kingdom parliament to amend the British North America Act so that the parliament of Canada would have authority to amend the constitution of Canada, but only in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the rights and privileges with respect to education and to the use of the English and French languages. The government of Manitoba feels that there might be differences of opinion as to whether a proposed amendment to the constitution related only to federal matters or affected provincial interests, rights, or jurisdiction. Before agreeing to any specific proposal, therefore, our government will examine carefully the manner in which the provincial position is to be protected.

The main purpose of the conference, as I understand it, would be to try to evolve a method of making, within Canada, amendments to those provisions of the constitution which concern both federal and provincial governments. The government of Manitoba realizes that a conference such as this will be dealing with difficult and complex constitutional problems, and that progress towards a solution of them can be made by representatives of Canada and the provinces meeting together. Our government is therefore of the opinion that a preliminary conference, comprising constitutional experts, though not necessarily limited to them, would be useful in clarifying many of the issues involved. We would consequently welcome the calling of such a preparatory conference and will be glad to participate in it.

I assume that the Manitoba government will be furnished with an agenda for either the preparatory conference or a dominion-provincial conference in sufficient time to afford us an opportunity of discussing items on the agenda and to enable our representatives to make full preparations.

Yours sincerely,

Douglas Campbell

Office of the Prime Minister

Ottawa,
October 12, 1949

Honourable Douglas Campbell, M.L.A.,
Premier of Manitoba,
Winnipeg, Manitoba.

My dear Premier:

I wish to acknowledge your letter of the 6th instant regarding the proposed consultation with the provincial governments with regard to the procedure for amending the constitution.

I thank you for the assurance of the readiness of the government of Manitoba to participate in a conference for this purpose, and I shall advise you in due course of our proposals in that connection. As to a preparatory conference of experts, the government is awaiting word as to the attitude of all the provincial governments before deciding whether it would be helpful for us to take any initiative in arranging such a meeting.

As for the amendment we have already decided to ask the United Kingdom parliament to enact, I have pleasure in enclosing a copy of the motion which is already on the order paper of the House of Commons. Since it relates only to that part of the constitution which is of exclusive concern to the federal authorities, and leaves to the courts the responsibility for deciding any disputes as to the limits of our jurisdiction, it was our view that it would not be appropriate to consult the provincial authorities or to ask them to share our responsibility for a proposal which relates exclusively to matters within federal jurisdiction.

Yours sincerely,

Louis S. St. Laurent

Premier's Office

Regina, September 20th, 1949.

Right Hon. L. S. St. Laurent,
Prime Minister of Canada,
Ottawa, Ontario.

My dear Prime Minister:

Thank you for your letter of September 14 advising me that at the forthcoming session you propose to take steps to secure an amendment to the British North America Act vesting the parliament of Canada with the authority to amend the

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constitution of Canada in relation to matters not coming within the jurisdiction of the provinces nor affecting minority rights.

The government of Saskatchewan has always held that Canada should have the right to amend its own constitution, and consequently we welcome the news that steps are being taken to this end in so far as purely federal matters are concerned. I would take it that this will be done in conjunction with the abolition of appeals to the judicial committee of the privy council; for it would seem anomalous to vest the Canadian parliament with the authority to amend its constitution and leave with a judicial body of the United Kingdom power to hand down decisions affecting the interpretation of Canadian law. If such a step is taken, may I respectfully suggest that some measures should be adopted to make the Canadian supreme court more representative than it is at present, in order that those who find it necessary to appeal decisions of the lower courts may feel more confident than they are at present that these matters are being approached from the broadest possible viewpoint.

With reference to your suggestion that the federal and provincial governments consult at an early date regarding amendments which may be required to deal with those provisions of the constitution which affect federal and provincial authorities and minority rights, I wish to assure you that the government of Saskatchewan will gladly co-operate with your government and the governments of the other provinces in seeking to find a satisfactory solution to this problem. We recognize that proper safeguards will be necessary in order to prevent any unwarranted infringement upon provincial or minority rights, but at the same time we are convinced that the power to amend these provisions of our constitution should lie solely with the people of Canada through their elected dominion and provincial representatives. We are equally certain that if this problem is tackled in a spirit of co-operation and good will, a modus operandi can be worked out which will be acceptable to the great majority of Canadian citizens.

Will you please advise us when such a conference is likely to be held, and if it is your intention to invite the provincial governments to send constitutional experts to a preparatory conference for the purpose of laying a basis for our discussions.

Assuring you of our willingness to co-operate in this matter, and awaiting any further particulars regarding the proposed conference, I remain,

Yours sincerely,

T. C. Douglas

Office of the Prime Minister

Ottawa, September 26, 1949.

Honourable T. C. Douglas, M.L.A.,
Premier of Saskatchewan,
Regina, Saskatchewan.

My dear Premier:

I wish to acknowledge your letter of the 20th instant regarding the proposed consultation with the provincial governments with regard to the procedure for amending the constitution.

I thank you for the assurance of the readiness of the government of Saskatchewan to participate in a conference for this purpose, and I shall advise you in due course of our proposals in that connection.

As to a preparatory conference of experts, the government is awaiting word as to the attitude of all the provincial governments before deciding whether it would be helpful for us to take any initiative in arranging such a meeting.

Yours sincerely,

Louis S. St. Laurent

Office of the Premier
Alberta

Edmonton,
October 12, 1949

Right Hon. Louis St. Laurent,
Prime Minister of Canada,
Ottawa, Ontario.

My dear Prime Minister:

My colleagues and I have carefully considered your letter of September 14, in which you invite the co-operation of the Alberta government in measures designed to alter the present procedure in the matter of amendments to the British North America Act.

The government of Alberta will be pleased to be represented at a conference between the dominion and the provinces for a full discussion of this important subject. Your suggestion that such a conference be held following the present session of parliament is satisfactory to us.

In view of the important legal aspects of the matter, we favour your further suggestion that a preliminary meeting of constitutional experts representing the various governments be held prior to the main conference.

I would like to refer particularly to your observation that it is the intention of parliament at the present session to request an amendment to the British North America Act by the United Kingdom parliament which would vest in the parliament of Canada the authority to amend the constitution of Canada in relation to matters not coming within the jurisdiction of the legislatures of the provinces.

While this may appear to be a matter of concern only to the dominion government, my colleagues and I feel strongly that the amendment proposed concerns the provinces as well, in that federal policies initiated under future amendments to the B.N.A. Act, which the dominion government might make within its constitutional sphere, could well have far-reaching effects on the economy of the provinces. Furthermore, the privy council has held that under the B.N.A. Act all powers have been vested in either the provinces or the dominion. It is difficult, therefore, to see how a situation could arise where any amendment to the B.N.A. Act would affect dominion powers alone, without at the same time affecting at least to some degree the rights of the provinces. We feel it is extremely important, before any amendment is made to the British North America Act, even in the field of federal jurisdiction, that the whole question of dominion versus provincial jurisdiction be fully discussed at a joint meeting of representatives of the dominion and provincial governments. We strongly urge that this whole matter be held in abeyance pending the conference which you propose to convene at the close of the present session of parliament. It seems to us that this is the only way in which future conflict can be avoided and the unity of Canada, which we all desire, preserved and strengthened.

Yours very truly,

Ernest C. Manning,
Premier

Office of the Prime Minister

Ottawa, October 17, 1949

Honourable E. C. Manning, M.L.A.,
Premier of Alberta,
Edmonton, Alberta.

My dear Premier:

I wish to acknowledge receipt of your letter of October 12 regarding the proposed consultations with the provincial governments in connection with the procedure for amending the constitution.

I have pleasure in enclosing a copy of the motion which is on the order paper of the House of Commons embodying the address asking the United Kingdom parliament to empower the parliament of Canada to amend our constitution in relation to matters not coming within the jurisdiction of the legislatures of the provinces, or in relation to provincial or minority rights. As you will see from the motion, the proposed amendment is not intended to affect provincial jurisdiction or the rights or prerogatives of provincial legislatures or governments, but relates only to that part of the constitution which is of exclusive concern to the federal authorities, and leaves to the courts the responsibility for deciding any disputes as to the limits of our jurisdiction.

In other words, the action proposed immediately will merely give to the federal authorities the same power to amend the constitution of Canada which the provincial authorities already enjoy under section 92 of the British North America Act to amend the constitutions of the provinces.

It is accordingly our view that it would not be appropriate to consult the provincial authorities or to ask them to share our responsibility for a proposal which relates exclusively to matters within federal jurisdiction.

All that is really involved is a change of venue for future amendments relating to provisions of the constitution which are the exclusive concern of the federal authorities. Since we are convinced we have the right to have this change of venue made without the consent or acquiescence of the provincial authorities, we feel we cannot accede to your request that the whole matter be held in abeyance pending the conference proposed after the close of the present session of parliament.

Once this initial step has been taken, there will remain the problem of providing for amendments, if any should ever be necessary, to the provisions which are not subject to amendment either by the federal parliament alone or by the provincial legislatures alone.

So long as the federal and provincial authorities have not agreed upon a right and proper procedure in this respect, all such amendments will remain within the jurisdiction of the parliament in London instead of here in Canada.

There will also remain the problem of embodying in the constitution express legal safeguards of the rights of the provinces and of minorities which are not there now. All these things can be done, and we believe they should be done, and, when we of the federal government have accomplished all that we believe we can have done by ourselves, I shall renew the invitation to you to confer with us and representatives of the other provincial governments in order to devise means of completing the task of having transferred to the Canadian authorities what remains of the jurisdiction of the parliament in London over Canada's domestic affairs. In this connection my colleagues and I are gratified by your assurance that the government of Alberta will be pleased to be represented at such a conference.

Yours sincerely,

Louis S. St. Laurent

Appendix

Office of the Premier
Province of
British Columbia

Victoria,
September 28, 1949

The Right Honourable Louis S. St. Laurent,
Prime Minister of Canada,
Ottawa, Canada.

My dear Mr. Prime Minister:

I have for acknowledgment your letter of September 14, which arrived during my absence on a trip through the northern part of the province. I note your desire to have a conference of representatives of your government and the provincial governments to discuss the possibility of amending the British North America Act.

I may say that the government of the province of British Columbia is willing to participate in a conference to discuss constitutional matters at a time to be designated by your government.

We feel that the question of a preparatory conference of constitutional experts should be held in abeyance until such time as the conference suggested has been held and an opportunity given to the provincial governments to study in detail the changes which may be considered desirable.

With kindest personal regards,

Yours faithfully,

Byron I. Johnson
Premier

Office of the Prime Minister

Ottawa,
October 1, 1949

Honourable Byron I. Johnson, M.L.A.,
Premier of British Columbia,
Victoria, B.C.

My dear Premier:

I wish to acknowledge your letter of September 28 regarding the proposed consultation with the provincial governments with regard to the procedure for amending the constitution.

I thank you for the assurance of the readiness of the government of British Columbia to participate in a conference for this purpose, and I shall advise you in due course of our proposals in that connection.

I have duly noted your observations regarding a preparatory conference of experts, and will place them before my colleagues when I have been advised of the attitude of all the provincial governments.

Yours sincerely,

Louis S. St. Laurent

HOUSE OF COMMONS

Tuesday, October 18, 1949

HOUSE OF COMMONS

WELCOME TO MEMBER FOR COCHRANE ON HIS RETURN TO THE HOUSE AFTER ILLNESS

Mr. Daniel McIvor (Fort William): Mr. Speaker, I rise on a question of privilege. I am very thankful for the opportunity to welcome back to this chamber the hon. member for Cochrane (Mr. Bradette). There are few hon. members who have given better service or who are held in greater respect than he is. I pay my tribute to him. He is not an Irishman, but he is the next thing to it. I believe it would be in keeping with His way of thinking if I expressed to Him who brings all things to pass in the right way our gratitude for bringing the hon. member safely back to the service of the house.

UNEMPLOYMENT

NEWFOUNDLAND—QUESTION AS TO FEDERAL ACTION

On the orders of the day:

Mr. G. F. Higgins (St. John's East): I should like to direct a question to the Prime Minister, of which I have given notice. In view of the serious unemployment situation in Newfoundland, as outlined yesterday by the premier of that province, what action, if any, does the federal government propose to take in the matter?

Right Hon. L. S. St. Laurent (Prime Minister): Up to the present time the government has received no official communication from the government of Newfoundland concerning the matter referred to in the hon. member's question. I should like, however, to call attention to the fact that the supplementary estimates for services in Newfoundland, which have been before the house and of which certain portions have been voted in a preliminary way, contain an item of $750,000 for public buildings, and another item of $575,000 for dredging, of which $200,000 is allocated to manual day labour. There is another item of $1 million for harbours and rivers generally. Serious attention has been given recently to expediting the work for which these moneys have been provided, and it is hoped that it will take up some portion of the unemployment which has developed in Newfoundland.

GOLD

STORAGE OF BULLION BY MINING INTERESTS

On the orders of the day:

Mr. M. J. Coldwell (Rosetown-Biggar): I should like to direct a question to the Minister of Finance. In view of the minister's reply to a question I asked on May 22, 1947, made on June 10, 1947, as reported at pages 3319 and 3968 respectively of *Hansard*, what action has he taken or does he propose to take to prevent profiteering by McIntyre Porcupine or other gold mines on alleged accumulations of gold and gold concentrates withheld for some time awaiting devaluation?

Hon. Douglas Abbott (Minister of Finance): I thank my hon. friend for having given me notice of his question. Perhaps I should first repeat what I actually did say. The gist of my remarks is to be found on page 3969 of *Hansard* of June 10, 1947. After referring to the fact that if gold were required to be transferred to the Bank of Canada, it would, under the present law, be required to be transferred at the old standard price of $20.67 per fine ounce, I went on to say:

> This would be probably too drastic a penalty to impose in a case of the kind we are considering—too drastic, that is to say, unless the country's need for the gold was immediate and urgent. On the other hand, after serious consideration I have not been able to think of any amendments to these provisions of the Bank of Canada Act which I would be prepared to recommend at this time, because I can see that there may be cases arising in future where it might be appropriate to apply the present provisions of that act. With this in mind, I am not proposing any action on this matter at the present time. I am content to defer action for the time being because any gold that is stored by mining companies will be in a few hands; we will know where it is and approximately what it amounts to. We can therefore take it into account as in some measure a substitute for a part of our official reserves and, finally, if the need should arise, we will be in a position to have it transferred to the Bank of Canada under the legislative authority I have mentioned.

That was my statement at that time. The fact is that in our opinion such need did not arise, and we did not feel it necessary to have the gold to which reference is made transferred to the Bank of Canada under the provision of the Bank of Canada Act to which I have referred.

Perhaps I might add what must be reasonably clear to everyone, that if a gold mine has held gold for the last two or three or more years, in expectation of a rise in the

price of gold, the transaction could not have been very profitable to the company, having in mind the loss of interest or other earning power on funds tied up in an unproductive manner, and the storage and other charges necessarily incurred during this long period.

Mr. Gibson (Comox-Alberni): What percentage of the excess profit would be obtained in the form of income tax?

Mr. Abbott: I suppose between thirty-five per cent and forty per cent of any profit made from appreciation in the price of gold would be paid in tax either to the dominion or to the province.

FOREIGN EXCHANGE

DOLLAR SHORTAGE IN GREAT BRITAIN—AID BY CANADIAN GOVERNMENT AND INDUSTRIALISTS

On the orders of the day:

Mr. T. L. Church (Broadview): I should like to ask the government a question. Is any action being taken to aid Great Britain in her dollar troubles, (a) by private Canadian industrialists, or (b) by the government of Canada? I regret I did not have time to give the minister notice of my question.

Right Hon. C. D. Howe (Minister of Trade and Commerce): The government of Canada of course has taken extraordinary measures to help Great Britain in her dollar difficulties. Loans in excess of a billion dollars have already been made, and a loan is currently being made at the rate of $10 million a month. So far as private industry is concerned, industry in Canada has joined with industry in the United Kingdom to set up a board to assist in the sale of British goods in Canada. I believe an announcement of the personnel of the board was made yesterday by Mr. Duncan, the chairman of the Canadian section of the board. I am meeting with the Canadian board this evening to discuss plans with them. I think that reasonable steps are being taken, so far as Canada is concerned, to assist in correcting the unbalance between dollars and sterling, and I can assure the hon. member that both the government and industry will continue to interest themselves in the problem.

DEVALUATION OF CANADIAN DOLLAR—CANADIAN EXCHANGE TEACHERS IN THE UNITED STATES

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 plight of Canadian teachers doing exchange teaching in the United States, owing to the effect of devaluation on their Canadian salaries, been drawn to his attention? Will he see if anything can be done to relieve their situation?

Hon. Douglas Abbott (Minister of Finance): It has not been drawn to my attention up to the present time. I have no doubt it will be after the question the hon. member has asked today.

COMBINES INVESTIGATION ACT

INCREASE IN PRICES OF CRUDE OIL, GASOLINE AND FUEL OIL

On the orders of the day:

Mr. H. R. Argue (Assiniboia): I should like to direct a question to the Minister of Justice, a copy of which I have sent him. Can the minister state whether he will comply with the request of the Attorney General of Saskatchewan that an investigation be made under the Combines Investigation Act into the recent price increases on crude oil, gasoline and fuel oil?

Hon. Stuart S. Garson (Minister of Justice): The attitude of the government towards the request of the Attorney General of Saskatchewan is being set out in a letter from myself to the attorney general bearing today's date. As a matter of courtesy and fairness to the attorney general, I do not think I should publish the letter before he receives it, but I shall be glad to have it tabled tomorrow.

Mr. MacInnis: Does the government contemplate amendment of the Combines Investigation Act at the present session? If so, when will the amendments be introduced?

Mr. Garson: The answer is yes, in the fairly near future.

SALES TAX

INQUIRY AS TO REPRESENTATIONS WITH RESPECT TO ICE CREAM

On the orders of the day:

Mr. William Bryce (Selkirk): I should like to direct a question to the Minister of Finance. Has the minister received representations asking for the removal of the sales tax on ice cream? Will he make a statement in the matter?

Hon. Douglas Abbott (Minister of Finance): We have received a considerable number during the last few days, and I suppose there were several hundred both before and after the budget presentation last March.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—ADDRESS TO HIS MAJESTY THE KING

The house resumed, from Monday, October 17, consideration of the motion of Mr. St. Laurent for an address to His Majesty the King praying that a measure be laid before the parliament of the United Kingdom to amend the British North America Act, 1867, relating to the amendment of the constitution of Canada.

Mr. E. D. Fulton (Kamloops): Mr. Speaker, when the house rose last night I was in process of outlining a series of steps which have been taken, and are still being taken, the result of which will be, if this resolution passes, that the parliament of Canada will have exclusive control over the Canadian constitution. Among those steps I had outlined the first three or four, starting with the statement of the present Prime Minister (Mr. St. Laurent), made in the house in 1946, that, contrary to the generally accepted view of the constitution, the language rights guaranteed under section 133 of the British North America Act could in fact be changed by a simple majority vote of parliament. Carrying on from there, the next stage was the redistribution act, when the position was taken that the federal parliament has the absolute right to say what matters are or are not matters of provincial concern, and that because it was said the representation of a province in this house was a matter for the federal parliament, then however strong might be the views of the provinces in the matter, it was within the competence of this parliament to pass an act changing the basis of redistribution—contrary to the views formerly held with respect to the constitution.

Then there was the further position taken in the course of the debate on the admission of Newfoundland to confederation—the method followed there being a departure from the agreed terms outlined in the British North America Act—that a departure from the procedure set out in that act could be made by the federal parliament without any measure of consultation with or consent by the provinces as to the propriety or necessity of making that departure.

Then at this session we had the abolition of appeals to the privy council, the effect of which was, amongst other things, to deprive the provinces of what had been their right since confederation, their right of appeal to the privy council. That right was taken away from them without consultation or any attempt to obtain their consent. I think that is an important matter to bear in mind in view of the correspondence which has been received, and which was tabled yesterday, from some of the provincial premiers.

These were the steps which I had outlined when the house rose last night. I would like to outline three more steps which have been taken or are now being taken to complete the process of gathering into the hands of this parliament exclusive control over our constitution.

First, in the discussion of the question of the abolition of appeals to the privy council no heed was paid to the suggestion—indeed, the request—that when the supreme court was made the court of final jurisdiction some constitutional protection should be given the composition of that court, so that it might be made a part of our constitution, as it were, and that its composition might be changed only by means of a constitutional amendment. At the present time the Supreme Court of Canada is the exclusive creation of this parliament, and its composition can be changed by a simple act of parliament. As I shall have occasion to point out in a few moments, among the letters from provincial premiers in reference to the conference it is proposed to hold in the near future are several in which they request that the composition of the supreme court be taken into consideration before the final abolition of appeals to the privy council.

The next step I wish to mention is the one now before us in this resolution. I think it is important for us to have clearly in mind, in order to appreciate fully the consequences of the steps already taken and of this step, that if this proposal is adopted—and the government is putting the resolution forward for consideration and adoption—the dominion parliament is asserting in its final form the principle that it can amend the constitution without consultation with the provinces, and is taking that position in spite of the protests of five of the provinces which have expressed their views by letter. I should like to refer in detail to some of the letters which have been written. I think I should remark that if the Prime Minister had desired to prevent the public from being fully informed as to the views held by the various provincial governments, or if he had desired to prevent the full and informed discussion which should take place on this matter, he could not have served that purpose better than by the course he followed, in refraining from tabling this correspondence until yesterday, the very day this resolution came up for discussion in the house. That, I think, is remarkable, when one sees the lengths to which some of the provincial premiers have gone in the correspondence in expressing

their views as to the propriety of this procedure, and in requesting that this resolution be withheld pending the convening of the conference it is proposed to hold following this session.

I have here a letter from the premier of Nova Scotia, dated September 27, three weeks before this resolution came up for discussion —and, incidentally, before the debate on the bill to abolish appeals to the privy council was concluded. The passage from Mr. Macdonald's letter which is of interest is as follows:

> I observe that the Minister of Justice has introduced a bill for the abolition of appeals to the privy council. It seems to me that the abolition of appeals to the privy council might well form the subject of study by such a general conference as is envisaged in your letter. I beg to suggest, therefore, that final consideration of the bill now before the House of Commons be deferred until the conference suggested in your letter will be held. There is, I believe, considerable support for the view that the abolition of appeals to the privy council is in effect an amendment of the constitution and that, therefore, it is a question which should be the subject of discussion at the dominion-provincial conference which you suggest.

Two things emerge from that letter. The first is that the premier of Nova Scotia—and one or two other premiers held the same view—asked that the measure abolishing appeals to the privy council be deferred pending the conference. The second, and more important in the light of the present debate, is the view expressed in this letter that since it amounts to a constitutional amendment, it should be withheld pending that conference. Implicit in that view is the feeling that, before any positive steps are taken to amend our constitution, the provinces should be consulted, particularly before steps are taken to provide that the federal parliament, by its own simple majority, can amend our constitution without consultation with the provinces, in order that satisfactory assurances may be obtained that, in any such amendments, provincial rights will not be infringed upon.

Mr. Carroll: May I ask the hon. gentleman a question?

Mr. Fulton: I have not a great deal of time left, but I will answer one question.

Mr. Carroll: Is it not a fact that the privy council, the highest court of appeal, has already decided that this parliament can do away with appeals to the privy council?

Mr. Fulton: That matter is not in dispute.

Mr. Carroll: Then how can it be a question of changing the constitution?

Mr. Fulton: That question was fully discussed in the course of the debate on the other bill, and if I were to refer to the details of that discussion probably I would be ruled out of order. I may content myself with saying that the view that it would be in effect a change in the constitution likely to have an influence on provincial rights in the future was put forward in that debate. The premier of the hon. member's own province held the same view, and wished that the matter might be deferred until the whole question of the basis of constitutional amendments and related matters might be discussed at a dominion-provincial conference.

The letter from the premier of Quebec has been referred to already and has been published in full in the press; therefore I need not read extracts from it. However, he is another provincial premier who holds very strongly the view that before the question of constitutional amendment is decided there should be a conference with the provinces. The premier of Ontario also expressed his views as to the propriety of the procedure being followed, that is to say the propriety of deciding that the parliament of Canada can amend the constitution now and in future without previously discussing with the provinces the method to be followed, and at least trying to work out some safeguard which would allay the doubts and fears of the provinces that the method now being adopted may result in their constitutional rights being infringed upon. Under date of October 7 the premier of Ontario wrote as follows:

> I am frankly in some doubt as to the advisability of dealing with the matter piecemeal without first attempting general agreement. Obviously, matters which are purely a federal concern will have to be delineated from time to time by the courts. My consideration of the matter leads me to believe that abolition of appeals to the privy council may affect this very important side of matters more than is generally realized.

The premier of Manitoba expressed himself in somewhat similar language. On October 6 Mr. Campbell wrote as follows:

> Your letter indicates that your government has already decided to ask the United Kingdom parliament to amend the British North America Act so that the parliament of Canada would have authority to amend the constitution of Canada, but only in relation to matters not coming within the jurisdiction of the legislatures of the provinces nor affecting the rights and privileges with respect to education and to the use of the English and French languages. The government of Manitoba feels that there might be differences of opinion as to whether a proposed amendment to the constitution related only to federal matters or affected provincial interests, rights, or jurisdiction. Before agreeing to any specific proposal, therefore, our government will examine carefully the manner in which the provincial position is to be protected.

The letter from the premier of Saskatchewan, dated September 20, 1949, contains the following passage:

> If such a step is taken, may I respectfully suggest that some measures should be adopted to make the Canadian supreme court more representative than

it is at present, in order that those who find it necessary to appeal decisions of the lower courts may feel more confident than they are at present that these matters are being approached from the broadest possible viewpoint.

Finally there is a letter from the premier of Alberta, from which lengthy extracts have already been quoted by the leader of the opposition, making it quite clear that the premier of Alberta holds the view that it is impossible for any one parliament to say what is a matter exclusively for its jurisdiction and what is a matter exclusively for the jurisdiction of other parliaments without giving some offence to the position and rights of those other parliaments. He therefore requests that this matter of working out a procedure of amending our constitution in Canada be left to be determined at the dominion-provincial conference which is to be called in the near future.

These are letters from five of the ten provinces, half the members of confederation, and representing well over half the population of Canada. They are written in terms which cast doubt upon the propriety of proceeding by unilateral action of this parliament to take into our own hands the power of amending the constitution in accordance with our views of what are federal rights and what may be provincial rights.

If only for the purpose, Mr. Speaker, of preserving unity; if only for the purpose of creating and preserving those conditions which would give some hope of success in trying to reach agreement at the dominion-provincial conference, I would have thought the government would have been willing for a few months to hold up the resolution now before us and to hold up these other matters which there will be five years to deal with, instead of completely overriding the expressed wishes of five provincial premiers and proceeding in the first month of this session with these important constitutional changes.

The final step to which I shall refer is again inherent in the resolution before us. It is the assertion, to which practical effect would be given by the passage of the resolution, that this parliament can decide what matters are federal and what matters are provincial. I know the Prime Minister said yesterday that no such thought is in his mind, that the decision on federal and provincial jurisdiction would be left to the courts. It is inherent in this resolution, Mr. Speaker, because it asks that power be given to this parliament to do what? To make amendments from time to time to the constitution of Canada, "except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures . . ." If these words mean anything, they can only mean that this parliament will have to decide what matters are assigned exclusively to the legislatures. Having decided that, it will be said that all the rest of the matters are assigned to the federal parliament.

If we are qualified to make the first decision, we are certainly qualified and have to be qualified to make the second. If those words mean anything; if that definition of the power which it is sought to give to the federal parliament means anything, it means we are to be given that right and must exercise it. Then, having made our decision on what matters are federal, we are to be empowered to enact legislation concerning those matters by a simple majority vote of this parliament; that is the situation. We are being asked to do just that. This is the final step in a series of steps, culminating in the delivery of the constitution of Canada, tied and bound, to the sole and exclusive custody of this federal parliament. It is a position entirely unwarranted by and entirely inconsistent with the spirit in which confederation was achieved. It is inconsistent with any possible hope that some measure of general agreement may subsequently be achieved at the dominion-provincial conference, because the premiers of the provinces are being asked to attend a conference to talk about an amendment to the constitution, and at the same time are faced with a *fait accompli*. The federal government can then say: We have all the power we need to amend the constitution; it does not matter whether or not you agree here; we have that power and we are in a position to exercise it if we so desire. That is the position in which the provincial premiers will be when they come to the conference. Nothing could be better calculated to promote disunity and to ensure that disagreement will be the result of that conference.

Let us examine the position. I am sorry the Minister of Justice is not in his place, because I wanted to ask him if he would be kind enough, in the course of this debate, to say whether or not I am right in this proposition I am about to put forward.

Mr. St. Laurent: We will assume you are wrong.

Mr. Fulton: The other day one of the other ministers had the same feeling, that he was a mind-reader. I am glad to find the Prime Minister numbers that amongst his accomplishments also, but perhaps since other hon. gentlemen may not be endowed with the gift of clairvoyance, the Prime Minister would be kind enough to make his answer later in the course of the debate, or the Minister of Justice might do it for him, so that we may all have the benefit of his great learning and his power to penetrate into the

recesses of other people's minds. I would say he must be proceeding on that basis on this question of constitutional amendment.

The position is this. We now have it asserted that the federal parliament can amend the constitution without consultation with the provinces. The Supreme Court of Canada has been made the court of last resort in all cases arising in Canada. Parliament is now taking the right to amend our constitution in Canada. Based upon the result of those three steps, it will be only necessary for the federal government to insert in the preamble of any statute which it wishes to enact that whereas under section 91 of the British North America Act exclusive legislative power with regard to this matter was vested in the federal parliament, and whereas it is desirable to enact legislation dealing with the subject of the statute, therefore be it enacted, et cetera. By virtue of the declaration in the preamble that it is a matter assigned to the federal parliament, no matter what constitutional conflicts may have taken place previously with regard to the matter, the federal government takes power to legislate and thereby, in effect, amends the constitution with respect to provincial rights.

The hon. gentleman may say: But we have the Supreme Court of Canada; if any of the provinces object, let them appeal to the court. It is also a fact that the Supreme Court of Canada is the creation of the federal parliament. There is nothing in the constitution of that court to prevent the federal government from adding two, three, or half a dozen judges if it so desires. Let us suppose that a provincial government, in the course of a constitutional dispute, is faced with the necessity of submitting its case to the supreme court. It is faced with a court to which any number of judges may be added by the federal government, and the court itself will be faced with an act of the federal parliament declaring that "whereas legislative authority in this sphere has been assigned to the federal parliament under section 91, this parliament enacts as follows". The practical conclusion of the series of steps of which this is the final one is that the constitution becomes the property of this parliament of Canada, and the whole basis upon which confederation was previously founded has been altered by the unilateral act of this government and this parliament without so much as consultation with or the consent of any one of the parties to confederation.

The final point I want to make deals with the question whether or not the government has a mandate to enact this particular piece of legislation. Referring to this matter yesterday, the Prime Minister said that he and his government had a mandate to put through this resolution. I put it forward unequivocably and definitely, Mr. Speaker, that in my view he has no mandate to put through the resolution which is now on the order paper and which will have the effect I have been describing, namely, of giving to the Canadian parliament the exclusive right to amend our constitution not only in particular but in general. If we look through the statements made by the right hon. gentleman during the course of the election campaign, we can find none to the effect that he was going to take that power. It is true that we find a number of statements to the effect that he would seek, in consultation with the provinces, to work out a method of amending at home the Canadian constitution. Yesterday when the right hon. gentleman read his own radio speech, he read the words in which he stated that proposition. I have just about finished, Mr. Speaker, but I want to emphasize this point. In his radio speech the right hon. gentleman said:

> It is our intention, after the election, to consult the provincial governments with a view to working out a method, which will be satisfactory to all Canadians, of amending the constitution in Canada.

In my submission, sir, that is the only mandate that the right hon. gentleman received; but in the resolution that we are now being asked to pass he is exceeding his mandate in an entirely unwarranted and unjustifiable manner.

Mr. Roch Pinard (Chambly-Rouville): As this is the first time that I have risen to speak in this chamber since the opening of this session, Mr. Speaker, I want to take the opportunity of joining with the others who have already congratulated you upon your appointment to the high office you now occupy. We are all proud of the manner in which you are discharging the difficult duty of presiding over our deliberations.

In rising to participate in this debate, I feel that not many other opportunities will be given to us of discussing a problem of the importance of the one with which we are concerned in the present resolution. I think the hon. member for Lake Centre (Mr. Diefenbaker) was right when, in the course of his speech delivered on the address, he referred to this first session of the twenty-first parliament as a constitutional session. Nobody will deny the fact that when the government of a country wishes to legislate in matters that directly or indirectly affect its constitution, it chooses then to legislate on matters of great importance not only to the present generation of its people but to future generations as well.

The resolution now under discussion will allow the realization of a constant wish of the Canadian people, and of what the hon. member

for Montmagny-L'Islet (Mr. Lesage), when he spoke on the address, described as a dream of his younger days. When constitutional measures have to receive our approval they must in the first place stand the test of time, and before we are called upon to consider them, they must also receive the sanction of the people.

In our democratic country no important measure of this kind should be dealt with by the elected representatives of the people before it has been submitted to the people of Canada and they have been given an opportunity of accepting it. Contrary to what has been said by the previous speaker, the hon. member for Kamloops (Mr. Fulton), the leader of the government, when speaking on the subject in every province during the recent election campaign, clearly asked the people of Canada for a mandate on this question. Therefore the Prime Minister (Mr. St. Laurent) had a clear mandate from the people before introducing the resolution which is now before the house. As a result of the decision of the leader of the government to get that mandate before introducing his resolution, we say today that it is with the consent of the overwhelming majority of the Canadian people, and with the approval of the overwhelming majority of the members of this house who are behind the leader of the government, that he is introducing this measure in the House of Commons.

I think that the Canadian public, which so well expressed its confidence in the Prime Minister and his party during the last election campaign, will be pleased with the attitude of our Prime Minister, who chooses to define, as he did in clear-cut statements, his attitude in public and national affairs instead of indulging in political manoeuvres. That is why we feel that it is with the complete support of the Canadian people that we are now trying to make this progress toward the complete independence of our country.

I approve, with joy and pride, the resolution which has been introduced; and I think I have the right today to say that I approved the spirit of it in the past, not only in this chamber but wherever an occasion was offered to me to express my views on constitutional matters. For example, in 1946, during the course of the debate on redistribution which has been referred to in the present debate, I had occasion in this house to give my opinion on some of our deficiencies with respect to our constitution. At that time, as reported on page 2248 of *Hansard* of 1946, I ventured to say:

> Before concluding, I should like to say a few words with reference to the obligation resting upon us to have recourse to the imperial parliament in order to secure the remedy proposed by the terms of the resolution before us.

As I said before, it was a resolution on redistribution. I continue:

> Every time the occasion arose we proudly proclaimed our complete independence within the commonwealth of British nations. We wish to believe, and we have a right to insist, since our country is now of adult age, that the Statute of Westminster be not a dead letter and was not adopted in vain. The most serious obstacle to the proclamation and the recognition of our sovereignty and of our complete autonomy lies in the fact that we do not yet possess our own constitution. Our constitution is embodied in an imperial statute; it does not even constitute a Canadian statute. That is why we must on every occasion undertake, perforce, that pilgrimage to London to ask others to decide upon our own destinies. So long as this anomaly has not disappeared from our national life, we shall not have the right to claim that Canada is a sovereign country.

It may be noted, Mr. Speaker, that my suggestion at the time was that we should have our own Canadian constitution embodied in our own legislation. In other words, I went so far as to claim that we should ask the imperial parliament to repeal the British North America Act so as to allow Canada to enact its own constitution as part of its own legislation and not part of the legislation of any other country, whatever may be the bonds and ties we have with that particular country. But I also think that Canada should not go too far and too fast in the conquest of its constitutional liberties if it does not wish to jeopardize by hasty measures its internal security as well as its relations with other countries, especially those with which we enjoy common economic and political interests.

The ultimate goal must not be endangered by measures of that kind, because the means that we would employ would not have been accompanied by the necessary precautions. Our constitution is indivisible. That has been said in this debate by the leader of the opposition (Mr. Drew), and it has been said before. I share the view of the leader of the opposition on that score, but I also think that when the Prime Minister expressed a desire to have a dominion-provincial conference to deal with these matters it was believed that that conference would give us the opportunity to make some progress in trying to give to our country complete independence one of these days by putting us in a position to have our own Canadian constitution. I think that is the meaning that one can take from the letter that was addressed by the Prime Minister to the premiers of the provinces.

Whether our constitution as it exists today is called a pact or whether it is called a statute, one thing is certain, namely, that we cannot cast aside the fact that there has to be, and there is actually, a division of powers

between the original provinces and the central government. This division is clear with regard to certain powers that are plainly defined in the act, on which there can be no confusion. Section 91 defines the powers of the central government. In view of that clause in the British North America Act, which has been referred to as the residuary clause, we can say that the powers of the central government are exhaustive as they are set out in that act. On the other hand, the powers of the provinces are defined in section 92. This may look simple, but it is much more complicated than it appears on the surface. It is more complicated because there are powers which have been conferred not only on the central government but on the provincial governments as well. In different matters there is concurrent jurisdiction. For this reason it is difficult to define exactly what is the power vested in the central government and what is the power that belongs to the provincial legislatures. I do not know whether that was done voluntarily by those who consulted with each other to have the British North America Act enacted. I say that it might have been voluntary, but we cannot be convinced of that, because if we read with care the Quebec resolutions, and the opinions that were expressed at the time, and if we try to analyse correctly the speeches that were made by the consulting authorities, we cannot come to the conclusion that this concurrent jurisdiction was then decided upon and agreed upon.

In the wording of the text, Mr. Speaker, there is conflict; but it must be borne in mind that the conflict is much more serious than that. It is much more serious because the act itself is not complete and could not be complete at the time. There were domains that could not have been explored at the time; and for this reason the British North America Act—although we cannot say that it is a mere draft—is silent on many subjects. In spite of the residuary clause to which I have made reference and which seems to favour the central power, with the advancing years bringing progress and development in Canada, new powers were created, and those powers were to be allocated either to the provincial legislatures or to the central government.

Who was to be the master and the judge in deciding upon these things? Who was to decide whether a certain power should be given to the provinces or to the central government? Who was to say, for instance, whether a power existed already and was already comprised in the definition of the act, or whether it was a totally new power or privilege? Who was to say that the power was not only derivative, or, as it is called, ancillary to powers already existing by virtue of the sections to which I referred, namely, sections 91 and 92, as well as other sections of the British North America Act concerning the powers and privileges of the central government and of the provinces? I submit that is where the real confusion began.

In spite of the fact that the best jurists began to explore and experiment in that field of interpretation, there is today a good deal of confusion in the segregation of powers as between the provinces and the dominion. There were, and there still are today, many classes of opinion, and it is not enough to say that there are those who favour a greater centralization, and, on the other hand, those who are in favour, and only in favour, of provincial rights. There were other interests from outside of Canada—there were also interests inside of Canada—which, of course, brought about interpretations of the powers vested by the British North America Act either in the provinces or in the central government. As a result our courts and the privy council have had to hear a large number of cases, either concerned with private litigation or in the way of references from the central or provincial governments, in order to try to determine the boundary between the jurisdiction of the provinces and the central government. In spite of the fact that the judgments that have been rendered by those courts did not satisfy all interests, I think it can be said that a considerable job was done. The job was to try to establish the course to be followed by private interests as well as by the different governments in connection with matters affecting constitutional rights.

As the Prime Minister said last month when he answered the Leader of the Opposition, since the earliest days of confederation, judicial process has been one of the methods of deciding conflicts that have arisen from the division of powers as between the provinces and the central power. I submit that that is a normal procedure and undoubtedly it will continue. We shall still have to rely upon our courts to find out whether a certain matter is within the jurisdiction of the central government or of the provincial legislatures. That is the case not only in Canada but also in the neighbouring country to the south and in all other countries where there is a division of power between administrative groups.

For these reasons neither the provincial legislatures nor minority groups should have reason to fear that this legislation will endanger their rights or privileges. All one has to do is to read the resolution as drafted and one will conclude that both minority and

provincial rights are being protected. There is to be a clear distinction made between provincial and minority rights and those of the central government. Paragraph 1 of the resolution reads:

> The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces—

Is that not a clear undertaking on the part of the government that in no case will there be an attempt made to amend the constitution in connection with matters that come within the jurisdiction of the provincial governments? The paragraph goes on to read:

> —or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province, or to any class of persons with respect to schools or as regards the use of the English or the French language.

In these words I find a clear decision on the part of the federal government not to interfere in matters affecting minority groups or the provincial governments. I submit that the purpose of this resolution is not to determine the boundary between provincial and dominion jurisdiction, nor is it intended to segregate the powers vested in the dominion or in the provinces; the purpose of the resolution is to make the central government master in its own house, as the provincial governments are now in theirs under the provisions of the British North America Act. The central government is simply asking for the same powers as have been conferred by the British North America Act on the legislatures of the provinces.

When a provincial government decides to change the number of representatives in the legislative assembly, by virtue of section 92 it does not have to have recourse either to the central government or to the imperial parliament. As has been done by the government of Ontario and the government of Quebec, this change is carried out of their own volition. But when the central government desires to increase the number of representatives in this chamber because of an increase in the population, we had to have the permission of the imperial parliament. It is to eliminate anomalies of this kind that the resolution is now before us.

I think a conference with the provinces would be most helpful in trying to determine the way in which to amend the constitution when we are concerned with matters affecting the provincial and dominion governments. I do not share the fear that has been expressed in certain quarters that the purpose of such a conference would be to determine what are the federal government's powers and what are the powers of the provincial governments. The purpose of the conference would be to study the question in order to clear up this matter which for many years has caused confusion in the minds of the people at large.

The adoption of this resolution will be a step toward the recognition by others and the confirmation by us of our complete autonomy and independence. For this reason I hope all provinces will be represented at the conference. We are informed that they have all indicated their intention to attend, although in the letter from the premier of Quebec I cannot find an indication of a formal decision by that government to do so. I hope that the government of Quebec will share in the common task, not only in words but in acts, in order to try to achieve for Canada a more complete autonomy. The premier of Quebec has often proclaimed himself as the defender of the provincial legislatures. I am not saying that he has no reason for thus proclaiming himself, although there have been times when we have had difficulty in trying to find the measure of his sincerity. But if the premier is the defender of the provincial legislatures, as he contends he is, I hope he will not become an enemy of the autonomy of Canada. I hope the premier of Quebec will not become an obstacle in this march forward by Canada toward complete autonomy and independence. Let us hope that this conference will bring about the result that we expect. By the adoption of this resolution we will have made a great advance toward complete independence for our country.

I want to conclude by reading a few sentences from an article which appeared under the pen of Mr. J. A. Hume in the issue of *Saturday Night* of the 23rd of August. The excerpt reads:

> It will not be an easy task to work out these problems, but an adjustment of the constitution to changed conditions is necessary. No longer should Canada accept this strait-jacket which cramps her progress along the pathway toward adult nationhood.

I should also like to quote from the remarks of a former member of the house, made in a debate on a constitutional problem in 1935. He said:

> Let us remember that the written constitution of Canada should be the servant and not the master of the people.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to support the motion now before the house. There is one deficiency in it to which attention has already been called during the course of the debate, and concerning which I shall offer an amendment. When I reach the point at which I wish to move that amendment I shall take a moment or two to express to the Prime Minister (Mr. St. Laurent) the hope that he

will see fit to accept it in the spirit in which it is offered, and the hope that it may be passed by the house.

At the outset I should like to say a few words about the main argument advanced by the members of the Progressive Conservative and Social Credit groups against the passing of the resolution. Hon. members of the house who are opposed to the resolution have made it quite clear that they are not opposed to Canada having within her own borders the power to amend her own constitution. Their objection—and it has been stated quite clearly—is simply that they do not like to proceed with even a part of this important job without consulting the provinces. The only part of the task that is now before us relates to finding a way of amending the constitution with respect to matters that are exclusively federal. It is against doing that without consulting the provinces that the opponents of the measure have been speaking.

I take it it is recognized by all groups in the house that it is the part of wisdom and good statesmanship to consult the provinces, whether or not we are legally required to do so, so far as dominion-provincial or exclusively provincial matters are concerned. The opponents of the resolution want the principle of consultation to be applied, not only to finding a way of dealing with things that are dominion-provincial or exclusively provincial, but also to the finding of a way to amend the constitution with respect to things that are solely federal.

In the course of a debate that has taken as long as this, naturally a good many things have been said that some of us feel do not carry much weight; but I think it should be said in all fairness that a number of members, including the leader of the opposition (Mr. Drew) and the hon. member for Kamloops (Mr. Fulton), have stated fairly well the argument behind their point. I felt that perhaps the high point of the speech made by the leader of the opposition yesterday came when he talked in terms of doing our best to achieve and maintain all possible good will between the federal government and the various provincial governments. In my view that argument has to be considered and has to be met head on.

In reply to it I feel, despite the plausibility of the argument about consulting the provinces—before we take even the first step—so as to have their good will, that it would be a very dangerous precedent for us to adopt at the present time. Let me put it this way. We have amended our constitution a number of times since 1867, but there is something pivotal about this occasion. We are not just amending the constitution in some one respect; we are amending the constitution with respect to the means of amending it. Whatever course is followed now will be a precedent that will be studied in years to come as we study today the things the fathers of confederation did prior to 1867.

Thus far the precedents are fairly clear. It is pretty hard to gainsay the argument advanced yesterday by the Prime Minister (Mr. St. Laurent) when he pointed out that, out of eleven occasions on which the British North America Act had been amended thus far, in only three of those cases was consultation had with the provinces. In one case it was with only the four provinces that were affected, and in the other two cases it was with all of the then existing provinces. Therefore I suggest that if on this occasion we were to decide to consult the provinces we would be breaking the main trend of the precedents of the last eighty-two years, and we would be establishing a new precedent which, as I have already said, would be dangerous. Why do I say that? I say it because it really is quite clear what would happen if we consulted the provinces: it would convey the idea that we would be getting from them the right to amend the constitution as to federal matters. The very first time we sought to use that power the provinces would say: We gave you that power; consult us as to how you are going to use it.

I submit further that even the courts would have to pay same attention to the procedure followed in adopting the new class 1 of section 91. It seemed to me last night, when the hon. member for Temiscouata (Mr. Pouliot) was speaking, that he emphasized the first point I have just made. I think I am paraphrasing him faithfully when I say that he said he was prepared to go the whole way with his leader provided his leader would give him the assurance that there would not be any further amendments of the British North America Act without consulting the provinces. I feel that is exactly what would happen. If we were to consult the provinces about the first step we would have them saying afterwards: You got the right from us; consult us before you use that right to make any further changes in the British North America Act.

There is no doubt that in a country as large and as far-flung as Canada it is extremely important that certain rights and privileges in local areas should be recognized. I think it is that fact, rather than theory, that has led to the desirability of the federal structure. But surely the main aim of Canada should be to further the purpose of the fathers of confederation to fuse this far-flung land into

one great nation. I think it is highly important at this pivotal stage in our constitutional history that we make it clear that we are acting as a nation and not as a group of ten separate units. I believe it has been read before, possibly in the course of this debate, but I should like to put on the record again a paragraph from a speech made by the Hon. C. H. Cahan before the Canadian Club of Toronto, on September 15, 1937. As hon. members are aware, Mr. Cahan was secretary of state in the last Conservative government, and this is what he had to say:

As a young man I knew personally, and I might also say intimately, several of the leading statesmen then living, who had been engaged in promoting and drafting the British North America Act. I knew their views as publicly and privately expressed, and I am confident that, as founders of the Canadian confederation and framers of that act, they undoubtedly believed that they were establishing on the northern half of this continent a new Canadian nation. With that end in view, they sought to reserve to the national parliament such extensive legislative powers as would prove adequate to meet all national responsibilities which might thereafter, from time to time, arise, and thus avoid those deplorable conditions which had then so recently resulted in civil war in the neighbouring republic.

I point out to hon. gentlemen to my right that this excellent statement of the aims of the fathers of confederation, this fine statement of something which is in the hearts and minds of all Canadians, was made by the secretary of state of the Conservative government under the late Viscount Bennett. So it seems to me that when hon. members ask what is the urgency of the resolution now before us, the answer should be not that there is haste in the matter of time, this week rather than next week or next month, but rather that the priority should be clear, and that we should deal with matters which are exclusively federal before we hold the dominion-provincial conference, and we should thus make it clear that we do not need to go to the separate provinces as the source of a power which was given by the British North America Act to Canada as one great nation.

Then may I also call as a witness in this story another outstanding Conservative figure in this country, Right Hon. Arthur Meighen. I am referring now to remarks he made when this matter of amending the constitution was under discussion in 1925. At that time a motion was before the house dealing with the desirability of Canada securing power to amend the constitution. I am reading this quotation from "Constitutional Issues in Canada, 1900-1931" by Robert MacGregor Dawson. The speeches of several members, delivered on February 18 and 19, 1925, are put together; and they appear in *Hansard* for that year at pages 297 to 300 and 335 to 337. Mr. Meighen's speech was one of those quoted, and I quote from it as follows:

In the first place, I do not think it would be a matter of convenience that the whole of the provinces of Canada should in every case consent. If we are going to put those obstacles in front of our course, we are going to add to the difficulties, if any did exist, that we have had in the past.

Now listen to these words by Mr. Meighen:

We have amended the British North America Act many times upon address of this house without speaking to the provinces at all. Why? Because the amendments we asked for did not affect in any way minority rights, did not affect in the remotest way provincial rights, were amendments in which the provinces or minorities were not concerned at all. It would be cumbersome indeed in such cases to be compelled to pass first from province to province and obtain universal approval.

I would submit that the words used by Mr. Meighen on that occasion apply exactly to what we are doing at the present time. The amendment we now seek does not affect in any way minority rights, does not affect in the remotest way provincial rights, and it is an amendment in which the provinces or minorities are not concerned at all. For that reason it seems to me we clearly have the right to pass this amendment; and, as I have been trying to indicate, I feel that we should do it in this way rather than make the mistake of reversing the trend of the last eighty-two years, which has been pretty clear, namely, that in federal matters the federal parliament has the authority and does not have to go to the provinces for consent to exercise that authority. Perhaps I have said it too often already, but I repeat that if now we went to them to ask for that authority we would be establishing a precedent that would bedevil constitutional matters for years to come.

In connection with this whole matter I like very much the approach taken by Dr. Maurice Ollivier in his oft-quoted book, "Problems of Canadian Sovereignty". I refer particularly to the chapters headed "Statute or Contract" and "History of Amendments" and "Methods of Amendment," but I am going to quote specifically a few paragraphs. First I refer to pages 348 and 349, where Dr. Ollivier is dealing with the question whether the British North America Act is a contract or a statute, and also with the basic question whether the federal parliament has the right on its own to ask for amendments, without consulting the provinces. Here is what he says at page 348:

A confederation is a union of independent and sovereign states, bound together by a contract or treaty imposing the observance of certain conditions depending on the unanimous consent of the contracting parties who remain free to secede from the union. The states forming part of a confederation retain their political independence and are, from the point of view of international law, recognized

as sovereign states. The best example of such a confederation is the confederation of the Rhine created by Napoleon in 1805.

It is easy to see, then, why Canada is not a confederation. In effect the provinces have been fused or federated so as to form a juridical state enjoying all the privileges and rights appertaining to a sovereign and autonomous nation.

Then a little later, developing another argument, Dr. Ollivier quotes the late Norman Rogers, who at the time was a professor. I am now referring to pages 349 and 350:

It is evident that difficulties arise the moment we attempt to identify the parties to the alleged treaty or agreement of confederation. Is the dominion a party? It did not exist prior to the passing of the British North America Act. Are Ontario and Quebec parties to the agreement? They were not distinct provinces during the confederation negotiations, although it is true that Upper and Lower Canada were accorded a separate status at the Quebec and London conferences. Are Prince Edward Island and British Columbia parties to the contract? They made no agreement with the other provinces but only with the dominion. Are Manitoba, Alberta and Saskatchewan to be regarded as parties to the agreement? They were created by acts of the dominion parliament.

"The crown did not authorize the delegates at the Quebec conference to conclude a binding agreement among themselves. All that was sanctioned by the dispatch to Lord Mulgrave was a conference on the subject of a union of the provinces of British North America."

Now I go to another quotation on pages 351 and 352, which arises from the argument Dr. Ollivier has been putting forward:

The preamble of the British North America Act furnishes proof that it does not proceed from a pact. It commences thus: "Whereas the provinces of Canada, Nova Scotia and New Brunswick have expressed their desire to be federally united," and not "considering that the provinces have concluded a treaty, a convention," or even "drawn up a project of convention with a view to federal union."

From these two propositions—

That is, the fact that the provinces are not sovereign states, as is the case in a confederation, and the fact that it is difficult to pick out the parties to the alleged pact.

—showing that we are not a confederation and that our constitution is not a contract, the third naturally follows, that, except in the very special cases which I will cite later—

That is, in matters having to do with provincial jurisdiction.

—the consent of all the provinces to an amendment to the constitution is not required.

The author goes on to quote many people on that phase of the matter, until finally he reaches the exciting part of his chapter beginning at page 359. At that point he is recounting the statements of witnesses who appeared before the special committee which dealt with this matter in 1935, and the witness being considered at the moment was Professor Kennedy of the university of Toronto.

[Mr. Knowles.]

I quote again from Dr. Ollivier's book at page 359:

Mr. Kennedy goes much further and says: "I do not think there is the slightest necessity in law for the parliament of Canada to consult the provinces in the process. It may be very good politics, but politics is not the law."

The committee had reached consideration of matters of provincial concern. The next paragraph in that book reads as follows:

It is unnecessary to add that this last declaration by the learned professor caused a sensation in the committee as may be realized from the discussion which immediately followed and which is here reproduced without change:

"Mr. Cowan: Parliament could not do anything with the powers which come under section 92.

"The Witness: I think the parliament of Canada can present any address to the parliament of the United Kingdom.

"Hon. Mr. Lapointe: You would not advise this parliament to do so.

"The Witness: I do not think it would be a very wise thing.

So, Dr. Ollivier develops the argument that there is no question but that the federal parliament has the right, on its own initiative, to request Westminster to amend the British North America Act with respect to any matter. It is made clear, however, that everyone recognizes it is the part of wisdom or the part of good politics, which means the part of good statesmanship, that when you come to matters that are of provincial concern you consult the provinces before such changes are made. It seems to me, Mr. Speaker, that should be our approach to the problem at this pivotal point in Canadian constitutional history. We should do what this resolution calls for, so far as clearly and exclusively federal matters are concerned, without consulting the provinces, so that we may avoid the pitfall of having the provinces say the federal government derives its powers to do so from the provinces. That position would bedevil us from this time forward. As wise statesmen, however, we should consult the provinces with regard to matters that are dominion-provincial or exclusively provincial before any change is made in the constitution in respect to matters of that kind.

In passing, I should like to answer one or two of the arguments that have been advanced. The hon. member for Eglinton (Mr. Fleming) said, as recorded at page 848 of *Hansard*, that no one was opposed to this country having the right to amend its own constitution, but he was opposed to unlimited power being reposed in this parliament. I am sure that when the hon. member reflects on the significance of this statement he will realize it was a bit far-fetched. The motion does not ask for unlimited power to be given to this parliament. The power is precisely limited by the terms of the motion that is

now before us. The member for Eglinton went on to say that the line of demarcation between matters that are federal and matters that are provincial is not clear. It seemed to me that the Prime Minister had already answered that argument. He said the terms of this new section were deliberately left without too specific a definition, so they would not interfere with the other lines that are already drawn in the British North America Act. This means that the courts will protect the federal and provincial parliaments from encroaching upon each other.

Yesterday the leader of the opposition said he did not like what we were doing because it did not provide a procedure. As a matter of fact, what we are doing is following the procedure that has been followed through the years. We are seeking an amendment of the British North America Act in the same way it has always been secured, by an address to His Majesty the King. This amendment deals exclusively with federal matters, and it is being sought in the manner in which amendments dealing with exclusively federal matters have always been attained, namely, through an address to His Majesty by the federal parliament without consulting the provinces. The leader of the opposition also said that, if this amendment were passed, the federal government might amend the constitution in such a way as to interfere with the taxing powers of the provinces. Section 91, subsection 3, says that the raising of money by any mode or system of taxation is within the federal power. This government, therefore, already has unlimited power in that field, so that the possibility of a future amendment making it wider is out of the question.

It seems to me, Mr. Speaker, that there is another facet to this question about which we should be thinking, and that is the double-barrelled interest Canadian people have in this question. There is no doubt in my mind that there is interest in it of a sentimental nature. I use that word "sentimental" in its best sense. Canadians do look forward to the day when, as a nation within the British commonwealth, we will nevertheless have all the marks of national sovereignty. On that sentimental basis, I do believe Canadians want us to get on with this job of bringing the control of our constitution to our own country.

But the people of Canada are interested in this question of amending the British North America Act for reasons other than sentiment. They are interested for substantial reasons as well. I believe all hon. members will agree with me that in recent years many requests for legislative changes, particularly in the social security field, have been met with the reply that this or that cannot be done until the British North America Act has been amended. We are told that a proper contributory social security scheme cannot be put into effect until Canada can amend the British North America Act. It is because of these statements of a substantial nature that Canadians are keenly interested in securing amendment of the British North America Act. I want to say to the Prime Minister that unless the government speeds up a bit and does not act so much like the turtle to which the Liberal party has been compared in an interesting editorial in the current issue of *Maclean's* magazine, Canadians will not thank the Liberal party very much. Unless this government follows these constitutional amendments with an early use of the power to amend our own constitution to solve the social security problem, Canadians will not be grateful to the Liberal party for having taken these merely sentimental steps.

At times, when I have listened to the debate and heard the Liberals waxing eloquent about the steps that are being taken, and have heard the members of the Conservative party get all worked up about it, I have said to myself, "What are you quarrelling about?" The real issue is the next step. The real issue is the use of the power to amend the British North America Act so that this parliament will have the right to initiate over-all social security legislation as well as other things that the Canadian people want and have been promised time after time.

At the outset of my remarks, Mr. Speaker, I indicated it was my intention to move an amendment. I shall do so in a moment or two, but before I do I should like to say that during the course of this debate my leader, the hon. member for Rosetown-Biggar (Mr. Coldwell), referred to the desirability and the necessity of entrenching the clause that has to do with the limiting of the life of a parliament. As a matter of fact, if the leader of the opposition had not moved an amendment which was so worded that no subamendment could be moved, my leader would have moved yesterday the amendment I am going to present to the house now. I believe everyone will agree—I am sure the Prime Minister will agree—that of equal importance with the necessity of entrenching minority rights, such as the use of the English and French languages, is the necessity of entrenching the right of all the people of Canada to be assured that a parliament will never run more than five years. Furthermore, the people should be assured that there will be a session every year.

British North America Act

At the moment, those two matters are guaranteed by specific sections in the British North America Act. For example, the section which deals with the matter to which I referred latterly, section 20, reads as follows:

> There shall be a session of the parliament of Canada once at least in every year, so that twelve months shall not intervene between the last sitting of the parliament in one session and its first sitting in the next session.

Section 50 is the one that deals with the limitation upon the life of a parliament or, more specifically, upon the life of a House of Commons. Section 50 of the British North America Act reads as follows:

> Every House of Commons shall continue for five years from the day of the return of the writs for choosing the house (subject to be sooner dissolved by the governor general), and no longer.

I submit, and urge as strongly as I can, that those two clauses should be entrenched beyond any possibility of amendment. I feel sure that the Prime Minister (Mr. St. Laurent) will agree that that should be done. They deal with the most sacred relationships between the government and parliament, and between parliament and the people. Those are matters that are exclusively federal. If they were left amendable by this parliament, they could be changed at any time by a majority vote; and to make such a change would be breaking faith with the people of the country. This is not just a theoretical or hypothetical question. As my leader pointed out yesterday, it has been done twice by provincial governments, exercising the same unlimited power that they have under their constitutions. The two examples were the provincial government of Ontario and the provincial government of Saskatchewan, both of which during the war years presented to their legislatures the necessary motion to extend the life of those legislatures. My leader reminds me that in both instances they were Liberal governments.

This matter can be taken care of easily by the insertion of a few words in the clause which is in the motion of the Prime Minister that is now before the house. The clause as he has worded it, and as I understand it, is fairly clear in what it seeks to do. It says—and with him I am in agreement one hundred per cent—that we should have the right to amend things that are exclusively federal but that we should entrench certain matters which obviously we should not have the right to amend. In the Prime Minister's wording of the resolution he has named two sets of things or, shall I say, three things that obviously we should not have the right to amend: powers assigned to the legislatures, matters relating to education, and matters relating to the use of the English and the French language. I submit that in the same category as those things which obviously we should not have the power to amend goes this question of there having to be a session of parliament at least once each year and there having to be an election at least once in every five years. In fact, I regard these guarantees as two of democracy's most important bulwarks. Therefore I offer an amendment to take care of this matter, seconded by the hon. member for Melfort (Mr. Wright). I move as follows:

> That the resolution be amended by inserting therein, immediately after the word "language," in the fourth last line thereof, the following words:
> "or as regards the requirement of section twenty of this act that there shall be a session of the parliament of Canada at least once each year, or as regards the requirement of section fifty of this act that no House of Commons shall continue for more than five years."

Mr. Fleming: Will the hon. member permit a question?

Mr. Knowles: Certainly.

Mr. Fleming: How does the hon. member propose to prevent parliament, by a majority of one, from in future passing a simple address asking the Westminster parliament to amend section 20, to which he refers?

Mr. Knowles: There again we have the argument which we have been through a good many times. You must rely at some point on the good sense, the wisdom and the good statesmanship of the people who are sent here. We now have the power, by a simple majority vote, to pass an address to His Majesty to make any change. But there are some things that we simply would not change. Part of my argument today was, by referring to Dr. Ollivier's book, to show how the authorities have dealt with this matter; they have taken the position that we have the power, but that there are some things which, though legal, it is not the part of wisdom or statesmanship to do, and which are simply not done. My contention is that putting this in the same category in which we put minority rights is the best legal protection we can give it; and by giving it that kind of protection and by making it as difficult to change as possible, we make it even more the part of wisdom and good statesmanship not to touch it.

Before I go further, just so that it will not be too far apart on the record, I should like to read the entire section as it would read with my amendment put into it. If my amendment carries, as I hope it will, the new section 1 of section 91 of the British North America Act will then read as follows:

> 1. The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act

assigned exclusively to the legislatures of the provinces, or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province, or to any class of persons with respect to schools or as regards the use of the English or the French language, or as regards the requirement of section twenty of this act that there shall be a session of the parliament of Canada at least once each year, or as regards the requirement of section fifty of this act that no House of Commons shall continue for more than five years.

I deeply appreciate the attention the Prime Minister has given to the whole of this debate, and particularly the attention he has given to my remarks this afternoon. I hope that he will consider this amendment favourably. If I may say so in public, one thing about the Prime Minister that has appealed to us is the fact that on several occasions he has shown himself to be big enough to accept suggestions that came from the opposite side of the house. That is good statesmanship and good politics too. We get enough of the other attitude, of course; that is, of suggestions being thrown out simply because they come from the other party. I am sure the Prime Minister feels as I have indicated about this matter. He knows how significant is this date in Canadian history. He realizes that this amendment touches an important point. I am sure he will agree with me that it ought to be entrenched as much as the other points in his motion, and I hope that he will agree to its being done.

If he would like to have this wording looked at by the law officers of the crown, and have the amendment slightly reworded in some respects so that it will meet any points the legal experts might raise, I should be glad to agree to any change in its wording. In other words, I am appealing to the Prime Minister to look upon this proposal in the spirit in which it is offered, and to agree with me that some way should be found in which this house can afford this desirable protection to two matters fundamental to our Canadian democracy.

(Translation):

Mr. Leon Balcer (Three Rivers): Mr. Speaker, the purpose of this resolution is to allow our country to amend its constitution without having to apply to a foreign parliament.

Unquestionably, this step has long been looked upon with favour by the country at large. It is hardly logical that a country like ours, whose part in world affairs is so important, should still have to go through a process so out of keeping with its status as a great democratic state.

It should be remembered, however, that the constitution of a country is the very basis of its nationhood; it is the document from which all statutes spring, not only those of the federal and provincial authorities but all laws applicable to the citizens of the country. In short, our constitution is the foundation of the Canadian nation. Therefore, parliament should be very cautious in bringing about any changes, especially as far as the allocation of amending powers to the various parties is concerned. In 1867, our country's population numbered only three and a half million inhabitants, of various races, creeds and cultures. If it has now developed into a strong and united country it is largely due to the foresight and political astuteness of the fathers of confederation.

It is only natural that a young country like ours, so rich in resources, should have developed beyond the expectations of these great statesmen. The time has now come to seek the power to amend the constitution ourselves, with a view to rendering it less rigid and more adequate.

All those who wish to see Canada take her proper place in the world as an autonomous and sovereign state are delighted to have this opportunity of providing the country with a new constitution, or rather of making it possible for Canada to amend her constitution with a view to rendering it more adequate and more practical.

The very fact, however, that we are a confederation makes it imperative that we should act with the utmost caution. To my mind, such caution is lacking in the procedure by which the government suggests to bring about this historic change.

As a matter of fact, a school of thought has always maintained, both here and abroad, that the British North America Act is a pact and not only a piece of legislation enacted by the parliament at Westminster. It is therefore contended that our constitution can be amended only after consultation with the contracting parties, that is to say with the various Canadian provinces.

The view that the B.N.A. Act is a compact or agreement between the provinces was expressed by the mover of the act in the House of Lords, Lord Carnarvon. He stated, in effect:

(Text):

The Quebec resolutions, with some slight changes, form the basis of a measure that I have now the honour to submit to parliament. To those resolutions all the British provinces in North America were, as I have said, consenting parties, and the measure founded upon them must be accepted as a treaty of union.

(Translation):

And Mr. Adderley, colonial secretary, stated in the House of Commons:

(Text):

If again, federation has in this case specially been a matter of most delicate treaty and compact be-

tween the provinces . . . it is clearly necessary that there should be a third party *ab extra* to give sanction to the treaty made between them.

(*Translation*):

This opinion held by English statesmen at the time of confederation was reiterated not only by Conservative leaders in this country but even by the Liberal party's French-Canadian luminaries, the predecessors of the right hon. Prime Minister, such as the hon. Honoré Mercier, the Right Hon. Sir Wilfrid Laurier, the Right Hon. Ernest Lapointe, the hon. P. J. A. Cardin and others.

The Hon. Honoré Mercier stated:

There were provinces before there was a dominion and it is from them that the latter derived its powers. They are sovereign within the limits of their jurisdiction and any infringement upon this sovereignty is a violation of the federal pact.

In 1906, Sir Wilfrid Laurier stated the following:

Confederation is a compact made originally by four provinces, but adhered to by all the nine provinces who have entered it, and I submit to the judgment of this house and to the best consideration of its members, that this compact should not be lightly altered. It should be altered only for adequate cause, and after the provinces themselves have had an opportunity to pass judgment on the same.

And the Right Hon. Ernest Lapointe stated in 1937:

The British North America Act is the result of long and difficult dealings and finally of a compromise to which the provinces have adhered through their official and qualified representatives. Therefore, it is a legal agreement in due form and freely ratified. It then follows that the "qualified authority" to bring changes to our national constitution are the provinces whose good will has made the alliance possible and whose unanimous good will is indispensable to any amendment which may be decided.

I am surprised that the Prime Minister should break that Liberal tradition and I am also astonished that the French-Canadian members who support the government should disown the theories expounded by their great leaders. However, even though the government does not admit the theory that a pact was made, I cannot understand why it is unwilling to consult the provinces before a resolution of such paramount importance is passed.

Besides, the Prime Minister knows that the people of his province desire such a consultation. He has admitted himself having made, during the last election campaign, the following promise:

It is our intention, after the election, to consult the provincial governments with a view to working out a method, which will be satisfactory to all Canadians, of amending the constitution in Canada.

I do not know what caused him to change his mind in so short a time! It is claimed that there is no point in consulting the provinces because the last dominion-provincial conferences came to naught. However, the government did call such a conference at the end of this session. It must be admitted that, under the circumstances, the government's position is not logical, to say the least.

The government claims that in taking this step it is not jeopardizing minority rights nor the educational provisions of the British North America Act.

Nevertheless, it again sets as a precedent that our constitution can be amended simply by a joint address of both houses to the imperial parliament without consultation with the provinces.

It is true that the resolution which is now before us contains a clause whereby the government indicates its intention to refrain from amending section 133 at this time. However, the government is setting a precedent, thus greatly endangering the rights of minorities.

As I said, the government is upholding a theory diametrically opposed to that expounded by Sir Wilfrid Laurier, the Right Hon. Ernest Lapointe, the Hon. L. A. Taschereau, and all champions of traditional Liberalism in Quebec.

This theory is contrary to the very principles of confederation. I doubt very much indeed that the representatives of the province of Quebec would have agreed to confederation had they not obtained a formal guarantee that the provisions of section 133 would not be thrust aside in such a summary fashion. One of the greatest difficulties in interpreting the British North America Act lies in the very interpretation of the various responsibilities of federal and provincial governments. There is the stumbling block of the whole system. The act of 1867 defines of course certain powers as falling within the federal jurisdiction, and certain others within the provincial jurisdiction. But there are several taxation fields to which the provinces as well as the federal authority claim certain rights.

If, up to now, federal-provincial relations have been strained and have brought about so much controversy, it is because matters of joint concern were involved.

I doubt whether the government's way of proceeding in that connection will ever solve the problem. The central administration should not be the one to decide what matters come within its jurisdiction. The provincial authorities may have different opinions on the subject and it is only through consultation with them that we can examine the various opinions put forth and reach an agreement that will be in the interest of the country as

a whole. The government's action constitutes another step towards centralization which endangers national unity.

Canada is a confederation. Our people are satisfied with that mode of administration. I sincerely believe it is the duty of the federal parliament to strengthen the constitution and not weaken it. I feel that, in acting as they do, with this resolution, the government are undermining the very foundations of confederation.

I therefore deem it my duty to vote against the motion.

Mr. Jean Lesage (Montmagny-L'Islet): Will the hon. member for Three Rivers permit a question?

Mr. Balcer: Certainly.

Mr. Lesage: In his speech, the hon. member stated that the fathers of confederation considered the British North America Act as a pact that could not be altered without the unanimous assent of the contracting parties. How does he explain that twice, in 1871 and 1875, the fathers of confederation, without consulting the provinces, sought and obtained from London amendments to the constitution in matters pertaining solely to the dominion government?

Mr. Balcer: The fathers of confederation happened to be the representatives of the provinces as they existed at the time union was effected. That is why I believe that they represented the provinces, and if they altered the constitution, at that time they amended confederation.

There is no doubt but that the fathers of confederation may have changed their minds before reaching a final draft, but I believe that when they met they did so as representatives of the provinces and came together as such.

Mr. Lesage: Does the hon. member hold that in 1871 Sir George Etienne Cartier, as a member of the House of Commons, represented the province of Quebec more than I represent it now?

Mr. Auguste Maltais (Charlevoix): Mr. Speaker, as I rise to speak for the first time in this house, you will allow me to congratulate you on your appointment to the office you now hold. From what I have seen in the past few weeks I am sure traditions of justice and fairness will continue to flourish in this house.

(*Text*):

I rise at this time because I feel it is my duty to state the reasons why I am going to vote for the resolution. I am going to vote for the resolution for three reasons which I shall try to explain to the house. According to the debate and discussion that have taken place so far it would appear that the feeling of hon. members is unanimous as far as the principle of the resolution is concerned. The main difference seems to be as to the procedure which has been suggested by this government to carry out the terms of the resolution.

I have listened to the speeches of hon. members of the opposition during this debate and have come to the conclusion that no concrete suggestions have been offered in connection with this resolution apart from the suggestion that there should be consultation with the provinces. Well, the government has consulted the provinces on this matter, and I would even go farther and say that they have consulted the people of the provinces. That was the main issue during the last election, and I know in my own riding it was the main issue.

The hon. member for Three Rivers (Mr. Balcer) has stated that the premiers of the provinces should be consulted, but let me tell the hon. member that in my own riding the representative of the premier of Quebec, who claims to be the champion of minority rights, fought against me. Since I attended school, I have followed the discussions that have taken place in connection with this and similar matters. I have here a book containing the proceedings of the dominion-provincial conference of 1945. It has been said over and over again that it is most important that the premiers should be consulted on this matter, but I should like to quote to the house an excerpt from this report of the proceedings of that dominion-provincial conference. I should like to refer to the reason given by the premier of Quebec for leaving or breaking up, if I may use my own words, that conference. I quote:

> The Prime Minister of Quebec, for reasons already stated many times at this meeting—

At this point I ask the hon. member for Three Rivers to pay attention.

> —owing to the pressure of business, has been obliged to leave for his office in Quebec City.

Is the constitution that important as to permit a premier to give up by sidetracking the issue?

The constitution is the thing which permits me to sit in the house, it is the thing that permitted me to be elected as the representative of my constituents, but that was considered to be not as important as certain provincial problems. I am not completely convinced of the sincerity of those words.

Let us go a step further and consider the question of minority rights. Right in the body of this resolution the minority groups are given a guarantee which they did not have before. We have heard many technical arguments put forth in an effort to convince

us that the constitution should be looked upon as a treaty or pact between the provinces. That may be so. Other views have also been expressed that it might be a statute or a law. Let us assume that twenty-five or fifty years from now the Liberal party is not in power and somebody else comes along and takes the attitude that our constitution is a statute. In the body of the resolution there is a further guarantee of minority rights to that contained in the British North America Act. Feeling my responsibility as a member of this house, and having been elected by the people, I must say that the mandate I have received tells me to support the resolution within the scope of what it means.

I have a further important reason for voting for the resolution, which also has its origin in the people. I receive many letters every day from people asking me about certain projects and the power of the federal government or the provincial government to do certain things in different fields. In the house the other day there was a discussion about whether irrigation in Saskatchewan was a provincial or federal responsibility. After eighty-two years I believe that the people of Canada are most anxious that we should take an inventory and try to proceed along definite lines in order to further the progress of the country. One hears many discussions in public places which do not seem to have any end. The matter of the welfare of the people is discussed and whether the passing of legislation is handicapped in any way by the lack of clarity as to the jurisdiction of the federal and provincial governments. Day after day and year after year we keep looking into the past to find out who is going to enact welfare legislation, and the people of the country suffer in the meantime because of discussions that do not lead us anywhere.

I believe some members raised a question about the urgency displayed in bringing this matter to an end. The reason for doing so springs right from the needs of the people. On June 27 the people gave the government a green light to proceed. They expressed their confidence in the government and are prepared to leave the means to it provided minority rights are guaranteed. In the resolution, consideration has been given as far as minority rights are concerned, a distinction is made between provincial and federal matters, and matters which may not belong wholly to provincial or to federal jurisdiction. Therefore I am justified, by the mandate I received on the 27th of June, in voting for the resolution.

[Mr. Maltais.]

Mr. T. L. Church (Broadview): Mr. Speaker, I did not think I would be called on until eight o'clock, but I wish to say something about the resolution moved by the Prime Minister (Mr. St. Laurent) yesterday. The two old parties put me in mind of two old soldiers. They never die. The two old parties are being reconstructed and re-created in Canada today. Those who have gone before would not know them, if we are to believe what has been said in the past.

I wish to refer to a few matters which have come up in connection with the resolution. I have not had any opportunity to prepare. I had to attend the funeral in Toronto yesterday of a former mayor of that city, Mr. C. Alfred Maguire, and I did not arrive in Ottawa until midnight last night. Yesterday was the first day that I have been absent during this session, but he was my vice-chairman and I had to pay tribute to him and was glad to do so.

As to the resolution, I wish to say that I regret very much that the government has brought this question before the house and the country at the present time. As I said the other day, these matters are largely secondary. It is true that the resolution has been moved, and as far as the amendment is concerned I think it changes the resolution very little. The amendment only amends a minor part of the resolution, and the resolution and the amendment might be taken together so that members will not be speaking three or four times, lengthening the business of the house accordingly. In my view the amendment does not touch the matter at all. It simply provides for the submission to the house a little later on of some of the principles of the resolution. I regret very much that the house and the country have been troubled with amendments to the British North America Act at the present time.

As you know, the atomic bomb has been in the minds and hearts of the people of Canada a great deal lately. There are many other matters that are vastly more important than the resolution. You merely have to read together the resolution of the Prime Minister (Mr. St. Laurent) and the other matters which have been proposed in the house and which were put before the country during the last election. For that reason I may say I am very much surprised at the electors of Canada. We are supposed to be the high court of parliament, and the resolution seems to ignore one of the cardinal principles of our constitution, namely, that the courts are subservient to the legislatures. That is one of the cardinal principles of the British constitution.

As much of the common law of England as was applicable to our circumstances was introduced into Canada by the Constitutional Act, 1791, at the time that act was passed. There are many matters which have been introduced into the debate on this measure. The other day the hon. member for Skeena (Mr. Applewhaite) placed what I considered a totally irrelevant construction on the speeches which have been made so far regarding appeals to the privy council. He referred to the Canadian navy and all that kind of thing. He forgot that in 1938, before the second war, I pointed out in the house that on the Pacific, to which he was referring, we had an unprotected coast line from Puget sound to the southern Queen Charlotte islands, and had no defence there at all. He brought in the Canadian navy and the Canadian army and what they had done in the war, but I fail to see what that has to do with appeals to the privy council. It is far from it, and I think his reference was very much out of place.

I should like to say to him now that what has provided protection for our unprotected Pacific coast line from time immemorial, in the days of Louis XIV, Philip of Spain, the days of Napoleon, and twice in our generation, is the British fleet. Where would we have been in the Pacific but for the protection of the British fleet, and also in the Atlantic and everywhere else?

Coming to the resolution and the amendment, they must be taken together, though the amendment deals with only a very small part of the question. However, I am sure the house does not want two or three debates, but that we want to come to grips with this whole question. Is this the time for us to proceed in the method and manner indicated, or is it not? The hon. member for Temiscouata (Mr. Pouliot) the other evening was referring to the method and manner of this procedure when he asked for amendments to this act. As my friend the premier of Quebec has said, there is no doubt at all that the contract was made. How did this resolution come about? It is founded on the Statute of Westminster, to which I was referring the other day and which has done nothing but disrupt the empire. It is a mischievous statute, which has wrecked our empire. It brought about the situation in India and in South Africa, and has divided our own country. I am a great admirer of the people of Quebec, and have been ever since I entered this house. When I was mayor of Toronto I received the commander of the French army, the Marshal of France, at the city hall, and paid tribute to the 65,000 soldiers from our city who had gone to France and Flanders in the first war to aid the French people. I referred to the awful privations, the suffering, the trials and tribulations of the glorious French nation, which would live throughout history as an example of the most sublime patriotism.

My leader has taken a very fair stand in regard to this whole question. We had the Statute of Westminster. Then we had a royal commission appointed to consider amendments to the British North America Act, commonly known as the Rowell-Sirois commission. Its final report was very unfair to the two central provinces. If any changes are made in the British North America Act I am afraid it will be a bad thing. I am sorry that such matters as public health and education were not made matters of concurrent jurisdiction at the time of confederation, along with agriculture and other things. That was one of the mistakes made at that time. They do not have these provincial legislatures in Great Britain, where they have forty-seven million people. There they operate with local governments in charge of the municipalities, and it was a mistake in Canada to have two municipal systems, one within the other, created by section 92 of the British North America Act.

The members of this cabinet seem very much divided on this question. I regret that it has been brought forward at the present time because, as I say, it is only secondary. What is the reason for the rush to put this over now, in such a haphazard manner, without consulting the provinces, without consulting the bar association, and without giving anyone a chance to look into it? Apparently this house is supposed to adopt this resolution in the twinkling of an eye. I fail to see the reason for all the hurry. I believe the people should vote on it. Why should they not be given a chance to express an opinion on these changes? Many of the younger members have come up from the municipalities, where in many cases you cannot spend any money without a vote of the people. Here we are going to work and destroying the whole basis of confederation. It is by this resolution being made a political football, and you can call it nothing else. It is being kicked back and forth before the people of the provinces, and I believe the government was ill-advised in its attempt to rush this thing through in this way. As I have often said, the two old parties in this house are like old soldiers; they never die. In fact nowadays they are being re-created, with the hallelujah chorus; but the party opposite are forsaking the beliefs of their founders, and forgetting all about their former ideals, political and economic. Mr. Fielding and Sir

Wilfrid Laurier would not approve of this. They were in favour of preferential trade in 1897 which, as I said the other day, has been hung on the sour apple tree like John Brown's body. My hon. friend the Minister of National Defence (Mr. Claxton) said that was a good place for it. Well, that would be a good place to hang some of the principles he has been espousing in the Montreal district. It seems to me the Liberal party has a different policy and platform for each city and province.

We on this side of the house have followed the same principles ever since the days of Sir John A. Macdonald. This resolution is founded upon provincialism and other things than strict legal principles. In my opinion it is political. Here is what Sir John A. Macdonald said in 1844, one hundred and five years ago:

> I, therefore, need scarcely state my firm belief that the prosperity of Canada depends upon its permanent connections with the mother country—

He was the founder of this party, and just before confederation formed the Liberal Conservative party. He went on to say:

> —and that I shall resist to the utmost any attempt, from whatever quarter it may come, which may tend to weaken that union.
>
> Forty-seven years afterwards, speaking in the same city in February, 1891, in his last campaign—he was again elected—Sir John re-affirmed the same doctrine of our close relationship with the mother country. He said:
>
> "For a century and a half this country has grown and flourished under the protecting aegis of the British crown. Under the broad folds of the union jack, we enjoy the most ample liberty, we govern ourselves as we please, and at the same time we participate in the advantages which flow with association of the mightiest empire the world has ever seen. As for myself, my course is clear. A British subject I was born and a British subject I will die."
>
> In the course of half a century, Sir John never failed to make the stand of Canada known, in its relation to the rest of the empire.

This resolution is founded upon status, sovereignty and autonomy. During the course of the debate we have heard the word "colonialism". This new word has been introduced by the hon. Minister of Justice. Shortly, he will be the right honourable. Now, what is the answer to the hon. gentleman opposite? The answer is simply that a million men went overseas in the first war. They did not go over there under their own status to fight; nor were they worried about autonomy or sovereignty. They did not even consider whether they were being called "colonials". Those men went to fight for an ideal. One million went from the dominions and 130,000 of them fell on the field of battle. They are buried in Flanders. Sixty-five thousand from Toronto went to fight in France, and many are buried there. Those men went to fight for an ideal, the greatest ideal free people ever had. My hon. friend the leader of the opposition was one of them. He was wounded. There were many good Liberals and good Conservatives among those men. Many men went from the province of Quebec and they were good soldiers. I know something about them and I saw the work they did.

Those men were all satisfied with the status of Canada, and its autonomy and sovereignty. They were not called "colonials" because they were not colonials. They were representing the dominions. The same thing happened in the second war, only the number of men was increased fivefold.

The cabinet seems to be divided on this question. There are some in favour of one policy and some in favour of another. One has to link many things together into this resolution to see why this thing has happened, and why it is being rushed in the House of Commons. This measure received very little consideration in the other place where a lot of this work seems to start. I believe the government is badly advised in moving this resolution forward, because it is only a secondary matter. One has to link up a lot of other things. There is a motion to be introduced between eight and nine o'clock tonight to replace the word "Dominion" by "Canada", and another concerning the office of the governor general. There are also motions concerning the flag and the national anthem. Those men who went overseas in the first and second wars thought the flag was good enough for them. The Union Jack covered the bodies of many of the soldiers from our city who were buried in Flanders and in France.

I wish to speak for only a few minutes about this matter. I am opposed to the whole policy of the government. As the Prime Minister said yesterday, it is true that the first ten or eleven amendments made to the British North America Act were largely federal amendments. They were technical descriptions of many kinds and were not opposed by the provinces. Do not forget, though, that we had to wait until the Statute of Westminster was passed—this empire-wrecking statute, as I call it. I have with me a textbook, Wheare on the Statute of Westminster. This decision of the privy council was based on this statute. In my opinion, the privy council is not a court at all, but is a judicial committee of one of the houses of parliament of the United Kingdom. The only reason it meets in London is that that is the centre of the empire and is the place most convenient to the representatives of the dominions and the colonies.

London is the centre of the world. There is no reason why the privy council should not meet in the other dominions as well.

During the course of the last four parliaments I opposed and moved a six months hoist to private bills introduced by members of the C.C.F. which were related to this matter. There is a division of opinion on this matter amongst the members of the cabinet. The Postmaster General made a speech which is reported in the Montreal *Star* of September 20. I read this paper when I have an opportunity, but I have not had much chance to read even the Toronto papers recently. The Postmaster General was at a banquet and he attacked the premier of Quebec for his empty speeches.

The other day the premier of Quebec, Hon. Mr. Duplessis, made a speech in which he challenged the federal government on this matter. He was opening a bridge at St. Eustache and, in the course of his speech, he insisted on the province being consulted. The only way in which the parliament of the United Kingdom can be asked to pass a statute to amend the British North America Act is by an address of both houses of parliament. In this textbook to which I have referred, it is said that some of the provinces made a contract at the time of confederation. There is no doubt about that at all; there was a contract. There would be no confederation at all, there would be no British North America Act at all, had it not been for that contract which was broad enough to bring together the sectional interests of representatives who were four thousand miles apart. I say that when there is a division in the cabinet on this matter, the government should proceed cautiously.

At the opening of the bridge, the premier of Quebec and Mr. Sauve made speeches. The press report of that event reads as follows:

> In his speech, Premier Duplessis recalled the memory of the St. Eustache patriots who, in 1837, fought to obtain responsible government, also events of 1841, when Quebec and Ontario were united, only to fail to come to reach accord on major national questions. In 1867, he said, representatives of the provinces of Quebec, Ontario, New Brunswick and Nova Scotia, had agreed on a confederative pact, handing over to a central government powers to deal with national problems, but retaining unto themselves the full authority to deal with matters pertaining to the protection of their rights and privileges. It was a pact, a contract, not a statute as suggested by Prime Minister St. Laurent, a pact that could not be changed without the full consent of the parties concerned, signatories to the pact.

Now that is correct; there is no doubt about that. Here is the Liberal party in this twentieth century, and what are they going to do? They are going to prevent a British subject from making an appeal to the foot of the throne, or what we call making an appeal of grace.

My friend the Postmaster General made a speech the other day and I shall read the newspaper report of that speech:

> The minister then attacked the speech made by Premier Maurice Duplessis of Quebec last Saturday at the Richelieu Club convention here. The premier had expressed fear that changes in the constitution as advocated by the Liberals at Ottawa, might reduce provincial autonomy and the rights and privileges of the French-Canadian people of Quebec.
>
> "Mr. Duplessis is fond of grandiloquent speeches which may sound agreeable to the ear but are empty of meaning when examined by an impartial observer," said Mr. Rinfret. "He likes to talk about provincial autonomy and the right of the people of Quebec to govern themselves without interference from Ottawa centralizers. He often pretends that the racial and religious traditions of French Canadians are endangered by the Liberal policies as applied at Ottawa. This is really taking too much advantage of the good faith of the Quebec people.
>
> Mr. Duplessis claims that nothing should be done by the Ottawa government to reduce the rights of the province to the full employment of its revenue derived from taxation," the minister continued.

That is right today too because in Ontario objection has been raised to the division of the school taxes between the two schools. It will be remembered that a different system was illegally foisted on Saskatchewan and on the prairie provinces accordingly. The article continues:

> "In fact, previous Quebec governments had to administer the province on a revenue of $50 million while the Duplessis administration finds means to collect $200 million in taxes. In addition, it obtains millions of dollars for education and social welfare from Ottawa" . . .
>
> Mr. Rinfret said that articles 91 and 92 of the constitution delimit the respective taxation powers of the central government and the provinces. They also determine the over-all taxation powers of the dominion government whenever these powers are not specified. The constitution, too, makes it clear that Ottawa can impose direct taxes. Mr. Duplessis knows that perfectly well. But whenever he is faced with reality, his only answer and argument is "autonomy."

He belittles Duplessis. The article continues:

> The minister scoffed at the Duplessis argument that the rights and privileges in respect of the Roman Catholic traditions and the French language in Quebec were endangered by the Ottawa plan—

And so they are, because as I say, the privy council had been the protector of minorities. They protected minorities by giving fair decisions. Do not forget that majorities have rights as well as minorities; and that is where he is wrong. The article continues:

> "Mr. Duplessis seems to think," he remarked, "that the French Canadians elected by the people to represent them at Ottawa cease to be good French Canadians or sound religious men. This would be preposterous if it were not so clearly ridiculous. The Quebec representatives in the Senate and the House of Commons have no lessons to learn from Mr.

Duplessis in that respect. They are just as zealous for the preservation of the Catholic and French traditions of the French-speaking element of Canada as is the Quebec premier. A proof of that is their desire to see the rights of the French language extended to all Canada,"—

Mark those words, "all Canada".

—"instead of being restricted by article 133 of the constitution to Quebec and Ottawa. This will be done when the constitution is amended."

There were 878,000 French Canadians in the other provinces of Canada who would welcome additional rights for their native language. All other measures contained in the speech from the throne, Mr. Rinfret said, were designed to extend the national rights of all Canadians, thus furthering national unity so desirable for the welfare of the Canadian people.

In a parting shot at Premier Duplessis, Mr. Rinfret said that while the Liberal governments at Ottawa were adopting or extending social welfare benefits, the National Union government in this province was destroying the good effects of school legislation adopted when the Godbout government was in power, including free text books, and was thus imposing an additional burden on Quebec families. He suggested that the premier be less generous with empty speeches and more generous in his treatment of the Quebec people.

I have a few minutes more until six o'clock, Mr. Speaker, but I wish to conclude my remarks before then. I do not believe in this way of doing business in the twentieth century because you have to include all these other subjects. There is one up for discussion at eight o'clock tonight. There are those other things to be read into the statute. They have to be read into this resolution. There is no doubt about that. I have read the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles). He reads it into the statute but he amends only a minor clause. You have got to take them together in order to understand it. I regret that this resolution has been brought forward at this time when we are faced with other more important questions, and when we as an empire stand at the parting of the ways. Look at what Russia is doing today. She knows all about the atomic bomb. She has it now. May I say to the hon. gentlemen who come from British Columbia that, at the instance of the United States, Russia was invited to come into the Pacific ten days before Japan fell. Mr. Churchill denied that he ever consented to it.

In the Pacific today we have no protection whatever. I was referring to it as our back door. Everybody knows that a burglar does not go to the front door. He goes to the back door. That is what I call the Pacific. We should have some protection. We have lost the protection of the British fleet. As I say, a burglar does not go to the front door. He usually goes to the back door and finds out whether the people are out, as hon. members know. As I say, I see no reason for bringing these questions forward at the present time. It causes division in the country. It leads nowhere. We all know about being colonials. The biggest colonials I know of in the house are the Little Englanders, the little people who do not know where their protection came from for four centuries, in the days of Philip of Spain, Louis XIV, Napoleon, and twice in our generation. Where would we in Quebec and Ontario be but for that? The enemy were up the St. Lawrence. They came right up as far as Riviere du Loup. I saw the cove in which the submarine had been. A secret session of this house was held accordingly. Are these not more important matters than the one with which we are dealing? As a humble member of the House of Commons in all sincerity I ask: Is this what we call twentieth century Liberalism or not? If it is, I think twentieth century Liberalism is going back one hundred years, because the resolution goes back that far. It destroys preferential trade for ever. I remember what the Minister of National Defence (Mr. Claxton) said the other day, and I made some remarks accordingly. It destroys all that, and that is what saved the dominion in the thirties. The Liberal party started it in 1897, through Sir Wilfrid Laurier and Mr. Fielding. It was never finally carried out until the Ottawa agreements made a great success of it. Otherwise you would have had unemployment ten times worse than in the United States. For all the defence we get in this country we are depending on the United States today, if we are attacked on the Pacific or at any other place. We have been surrendering too much political, military, economic and financial responsibility. Now by this resolution we surrender judicial supremacy. To whom? To the people of the United States. As the Minister of Justice (Mr. Garson) said the other night, we are getting into this bill the principle of the judicial system of the United States. We have been warned of the great dangers that confront this country at the present time. I referred to this matter the other day, and to what we owe to nationalism, to the mother country, the flag, the anthem and all that kind of thing. These things have got to be read into the resolution. If you ask me, it is weakening and destroying the very basis on which this country joined confederation. I referred to the two old political parties being like two old soldiers; they never die. But they are changing the basis established by the founders of confederation. I referred to the principles of Sir Wilfrid Laurier, Mr. Fielding and others. Is that Liberalism today? No. You have not the Liberalism of the past. The Liberalism of the past believed in these doctrines, political, economic and financial. They

believed in a real future for the country. You are going back on all those principles. True, it was not carried out in the thirties, but the authors of it were the gentlemen on the Liberal benches.

I do not doubt the sincerity of my hon. friends to the left. I do not question it at all. I have always been one of the hon. members who believed that anybody could have an opinion in this House of Commons. In 1923 I described the House of Commons as a large club where every hon. member could express his opinion freely, impartially and fairly as long as he had the floor. I have never denied the right to my opponents to have whatever opinions they wished for themselves. I do not think it could ever be charged against me that I showed a lack of ordinary Christian charity toward my political opponents. I have a great admiration for the present Prime Minister (Mr. St. Laurent). I have always had it. I knew him before he became a member of this house. At that time he was a leading member of the bar and one of the leading public men of Quebec. He used to visit our city as a member of the bar association. While I realize that, I believe that he is now raising secondary questions that could be left over, including all these that are wrapped up in it. He is causing a division in his own party on the subject from coast to coast. All these questions should be left for a better day until we know whether we are secure or not from the enemy which is now at the gates. He is going to be at the gates very shortly if he is not there already. We have to consider the questions in the manner which has been indicated. When hon. members look at the questions more fully they will find out that what I say is correct.

I should like to quote one or two paragraphs from what the Dean of Chichester said about the mind of man at the present time, because I believe there are greater issues than this for the government to deal with, namely, to be sure that we have security for all our citizens. This is what the dean said:

> Why do wars happen? It is sometimes thought that it is the possession of armaments, or of large armaments, that is the ultimate cause of war. It used to be said that it was the armament makers—"the merchants of death"—who brought war about for their private profit. So people have proposed to eliminate war by reduction of armaments, or by complete disarmament. It is urged that all armaments—if armaments there be—should be under the control of the state and manufactured in state factories. But this is to confound symptoms with causes.
>
> It is not armaments that make wars, but the people who have control of the armaments. Wars are not caused by things but by the mind of man. The United States, Great Britain, France, Holland, Belgium, and Norway had greatly reduced their armaments after the first world war. Denmark had practically abolished armaments altogether. This did not save any of these countries. There was another country, populous and powerful, that was bending all its energies to the preparation for war, which was greatly encouraged in its preparations by the weakness of the peace-loving countries and their obvious unwillingness and unreadiness for war.
>
> The truth is that wars in modern times are caused by the emergence of a group of determined men who are able to rouse and mobilize within their nation a passionate desire to expand and dominate. They aim at indoctrinating their people with a conviction of superiority, an imposing idea that they are destined to rule the world, because of their great strength and particularly because they alone possess the true political philosophy for which the whole of mankind is waiting. The kindling idea, universal in its scope, and simple in its expression, plus the sense of destiny, are essential to the war machine. Men and women need a great cause, or what appears to be a great cause, if they are to be keyed up to endure the vast sacrifices that war, and preparation for war, demands.

The dean gives this picture of Oak Ridge, Tennessee, where they are making the atomic bomb. He says they are making it a peaceful scene but it is the manufacturing plant which was the birthplace of the atomic bomb which is going to destroy the world. This is his concluding paragraph:

> Fortunately the west can confront Russia with overwhelming strength in industry, munitions and manpower, and has established a lead in atomic research which will be immensely difficult for the Kremlin to overtake. It is our duty to do all in our power to preserve that lead.
>
> Yet, assuming that a balance of power in our favour is maintained, the question remains, "Is this sufficient to enable the world to settle down? Is it conceivable that there can really be a secure and contented world while Russia holds half Europe in thrall? Can genuine peace be established while Europe is half slave and half free? Again, is not more than Europe involved? If Asia, besides China and including India, Burma and the East Indies, come under the Russian grip can there be world recovery?" These are questions for the second stage of the conflict in which we are all at present engaged. When retreat is forced on Russia somewhere, the scene may brighten everywhere.
>
> The main point to remember about the atomic bomb is that its use may depend on the gradual restoration of a more civilized world. Humanity may have to face the question—which is the less unendurable, a vast physical destruction, or the surrender of the whole of mankind to a diabolical tyranny such as the world has never seen?

This shows the importance of other matters. Are we secure, or are we not? All these matters which we have been discussing today are purely secondary. This is a political bill. It is not an economic or a legal bill. For that reason I wish to protest against it. If this is Liberalism of the twentieth century I should like to know, because they are upsetting the basic doctrines of the founders of the Liberal party, which was a great party.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

The house resumed, from Friday, October 14, consideration of the motion of Mr. Winkler for the second reading of the following bills:

Bill No. 15, for the relief of John Henniker Torrance.

Bill No. 16, for the relief of Edith Harriet Black Hambly.

Bill No. 17, for the relief of Margaret Reid O'Connell.

Bill No. 18, for the relief of Alton Charles Bray.

Bill No. 19, for the relief of Kathleen Gertrude Macartney Dorken.

Bill No. 20, for the relief of Louise de Forest MacAlpine.

Bill No. 21, for the relief of Jessie Fraser Blaiklock Stewart.

Bill No. 22, for the relief of Alice Lafond Burnham.

Bill No. 23, for the relief of Muriel Annie Elizabeth Hicks Kurtzman.

Bill No. 24, for the relief of Robert Walsham Herring.

Bill No. 25, for the relief of Leta Helen Butler Waller.

Bill No. 26, for the relief of Violet Blodwyn Young Murdoch.

Bill No. 27, for the relief of Joseph Tannenbaum.

Bill No. 28, for the relief of Isabel Christine MacLean Robinson.

Bill No. 29, for the relief of Marie Annette Vallieres Handfield.

Bill No. 30, for the relief of Nicholas Kouri.

Bill No. 31, for the relief of Viateur Fortier.

Bill No. 32, for the relief of Lois Elizabeth Rolph.

Bill No. 33, for the relief of Madeleine Dunn Landry.

Bill No. 34, for the relief of Arthur Joseph D'Avignon.

Bill No. 35, for the relief of Jessie Gwendolyn Paul Giroux.

Bill No. 36, for the relief of Celia Maria Gabrielle de Costa Baxter.

Bill No. 37, for the relief of Dorothy Amelia Beattie Harrison.

Bill No. 38, for the relief of Rosaline Laham Anber.

Bill No. 39, for the relief of Anna Starzynski Sztafirny.

Bill No. 40, for the relief of Marjorie Claire Dickison LeMieux.

Bill No. 41, for the relief of Dorothy Ruth Brown Bailey.

Bill No. 42, for the relief of Lorne Bradbury Ashton.

Bill No. 43, for the relief of Harry James Seaban.

Bill No. 44, for the relief of Julia Seram Odenick.

Bill No. 45, for the relief of Myrtle Elizabeth Howat Brammall.

Bill No. 46, for the relief of Francis Gilmer Tempest Dawson.

Bill No. 47, for the relief of Imelda Poirier Tremblay.

Bill No. 48, for the relief of Joseph Charles Paul Emile Chales.

Bill No. 49, for the relief of Robert Mason Watson.

Bill No. 50, for the relief of Catherine Alexandra Mackenzie Mitchell.

Bill No. 51, for the relief of Irene Filion Primeau.

Bill No. 52, for the relief of Mary Jean Strachan Taylor.

Bill No. 53, for the relief of Edna Kate Folley Dickenson.

Bill No. 54, for the relief of Gerald Geoffrey Racine.

Bill No. 55, for the relief of Yvonne Marshall Balfry Corbin.

Bill No. 56, for the relief of Colleen Ethel Thornhill Clark.

Bill No. 57, for the relief of Leith Albert Anderson Baldwin.

Bill No. 58, for the relief of Marie Jeanne Martin.

Bill No. 59, for the relief of Irene Emily Katerelos Stones.

Mr. W. J. Browne (St. John's West): Mr. Speaker, on Friday evening we were debating a motion for the second reading of certain divorce bills. Many hon. members stated at that time that they were unfamiliar with the subject being discussed and therefore were not in position to pass an opinion. Feeling somewhat guilty in that respect I took the trouble on Saturday morning to go to the Senate clerk who was in charge of the petitions and the evidence in connection with these divorce bills and I saw the different petitions and the evidence that had been presented.

For the benefit of hon. members who are not familiar with the procedure perhaps I may be pardoned if I take a moment or two to outline it. First a petition must be made to the Senate by the person who feels himself or herself wronged. Then service is made upon the defendant or the respondent who may enter a defence if he so wishes. Then the case is called to be heard by the Senate and while the respondent has the right to appear, generally he does not. Counsel may be engaged by either side and a few members

of the Senate sit as a court to hear the evidence offered by the petitioner praying that he or she be granted a divorce.

After the Senate court has heard the evidence it is sent over to this house where it is examined by the appropriate clerk and hon. members may inspect the evidence if they wish. I may say that the evidence is much the same in all cases and is not very elevating to those who may wish to read it. Then a bill is presented here and we are asked to decide upon it.

During the course of my remarks on Friday evening I gave it as my opinion that we should not be trying to make divorce easier. As I said, there has been a tendency in all countries, especially since the first world war, in that direction. That tendency had been in evidence for a long time before that because of the materialistic trend of the age. But it has been growing ever since the first world war.

I remember over twenty-five years ago hearing the late G. K. Chesterton, the famous English writer, speak during a debate on divorce at the Oxford Union. This was some years before he joined the Catholic church but even at that time he held the Catholic view on marriage and divorce. At that time he said that if divorce went on as it was the university of Oxford would soon have to give new degrees or the degrees they were giving would not mean the same thing as they had in the past. He said that if things went on a B.A. would come to mean "bachelor again" and an M.A. would mean "married again".

The frequency of divorce in England has increased greatly during the last 25 years, and the full Christian view of the indissolubility and the sacramental nature of marriage is not held as firmly as it was before. I think hon. members who have taken part in this debate are on sound ground when they object to parliament hearing these divorce cases. It is simply carrying out the theory, with which I cannot agree, that this is the high court of parliament and that parliament can do anything except change a man into a woman or a woman into a man. If parliament cannot do that then it has been trying to do the next best thing. It has been trying to declare that a husband is no longer a husband and a wife is no longer a wife. Personally I would not want to support any bill granting a divorce because I believe that "what God has joined together, no man shall put asunder."

When the hon. member for Vancouver East (Mr. MacInnis) was speaking I think he indicated that he did not realize the technical nature of the subject he was dealing with. He said that in the province of Quebec there was a way of dissolving a marriage; that it was not called a divorce but rather an annulment. He said that in any event there was a separation and the result was the same. I think I know what my hon. friend was trying to say.

Since no hon. member from Quebec rose to contradict him I feel that his statement should be contradicted for the purposes of the record. The teaching of the Catholic church in Quebec is the same as the teaching of the Catholic church in any country. When the hon. member said that in Quebec there was a way of dissolving a marriage, he was completely wrong. There is no way of dissolving a marriage. Once a marriage, always a marriage. He said that it was not called a divorce, but an annulment. Here it is necessary to make a careful distinction. The word "divorce" in popular parlance means to separate permanently; it is derived from the Latin word "divortium" which means to separate. However, in the English language it now is understood to mean a dissolution of marriage.

Annulment presupposes that there has been no marriage. All that the ecclesiastical court decides is that there never was a marriage. Many causes may exist to warrant the declaration that there has never been a marriage. As in the case of ordinary contracts, the court may say that there has never been a contract. I shall not enumerate all the causes that might induce an ecclesiastical court to say that there has never been a marriage, but I might cite an extreme case. If a man married his grandmother it could be held that that was not a marriage because it would have been forbidden in the first place.

"In any event", the hon. member said, "there had been a separation and the result was the same." There are several errors in that one sentence. The hon. member said that there was a separation. If he meant to say that in divorce there is a separation, he did not say enough. What we understand by divorce is a complete dissolution where the parties are allowed by parliament, or by the civil courts in the provinces other than Quebec and Newfoundland, to go their own way and to go through another form of marriage if they wish.

If the hon. member meant that by annulment there is a separation and the result is the same as in divorce, then he was completely wrong. A separation permits the parties to come together again when the bad feelings that may have existed between them have subsided. They may again take up their matrimonial duties and live as man and wife. In annulment according to Catholic teaching, the parties are perfectly free to marry, but in divorce, they may not marry

again. It will be seen that this subject has many technical difficulties, and, as hon. members have indicated, it is probably the most unsuitable subject for parliament to deal with. Most hon. members have not the time or inclination to study the facts, and I feel sure there are many members who do not feel any disposition to deal with this subject at all. I felt that I should make these observations. As far as I am concerned I propose to vote against the bill.

Mr. W. F. Carroll (Inverness-Richmond): Mr. Speaker, I do not intend to prolong this debate. The other evening certain statements were made regarding the right of parliament to grant divorces. Like all Canadians I am against income tax, like most Canadians I am against sin and like most Roman Catholics I am against divorce. In the province of Nova Scotia we have a divorce law which we took over from England, together with other laws, at the time that the English, the Scots and the Irish came to our province. We had to adopt all the common law and statute law that was good for the circumstances of our province at that time. Among the laws that we took over was the divorce law. For years in the province of Nova Scotia there was one judge assigned to hearing divorce cases, and he could hear divorce cases only in the city of Halifax. It became more or less of a farce for those who had to inhabit the courthouse, which is the place where the judges of the court of appeal and the judges of the supreme court reside.

A few years ago a couple of us went to the government of Nova Scotia and then to certain of the law officers of Canada. We asked for a change in the method of hearing divorces. Today we have in the province of Nova Scotia a law enacted three years ago, I believe, whereby divorces are tried on circuit, and every judge must hear and determine divorce cases if they come before him. It was said at the time that greater opportunities would be afforded to those who wanted to procure divorces if they could get them in their own circuits. I took the ground at that time—and the bases of the ground have been fulfilled so far as I am concerned —that when people who were getting divorces on certain grounds came to the court at Halifax very few spectators were allowed and the people from their immediate neighbourhoods would not know that they were such scoundrels. I refer to collusion and that kind of thing.

The result is that today in the province of Nova Scotia there are less divorces proportionately than there were previously, and they are also published today. I had to try

divorce cases. I took it as a responsibility. I think that the parliament of Canada is a judiciary so far as the hearing of divorces is concerned. Every person who sits in the house and votes on a divorce bill is acting as a judge. He is acting as a judge because he is giving a decision on a purely legal matter but he is giving a decision on evidence that is not heard before this house. It is the same situation when a judge hears a case, and after hearing certain evidence finds that it is necessary to send out a commission to take the evidence of persons who are unable to come to court, who may be in foreign countries, or something of that kind.

It is true that one cannot say that a witness whose evidence is heard on commission is either a liar or a truthful man, but a judge can make certain inferences. That is the position members of the House of Commons are in at the present time. The evidence is heard in the Senate. I understand it is heard and adjudged by lawyers who know the value of evidence and the causes for divorce. I suppose it is all right to use the word "Senate" in this case, Mr. Speaker, because this is a different question. We are really discussing a bill that comes from the Senate. I know the rule about using the expression, "the other place", but in discussing this particular bill hon. members might have some idea that I was referring to something else if I said "the other place".

That is the situation as I understand it. I spoke a moment ago about taking over the law on divorce from England in the province of Nova Scotia, and I presume Ontario was in the same category.

An hon. Member: Prince Edward Island and New Brunswick.

Mr. Carroll: There are well established laws regarding the causes for divorce. In our province there are two, adultery and mental or physical cruelty. I think perhaps the same is true here.

Mr. Croll: No cruelty.

Mr. Carroll: No cruelty. I know, however, what the law is in that regard in the province of Nova Scotia. The great difficulty in the present set-up, in the way of parliament granting divorces, is that, as I believe, the Senate often does not make sufficient investigation of these cases so far as collusion is concerned. I sat in the house from 1911 to 1921. I took a keen interest in the matter of divorce, and as a matter of fact in all private bills. On two occasions I was instrumental, along with others who supported my argument, in refusing to assent to divorce bills that came from the Senate. In one case there was not sufficient evidence, and in the

other there was clear evidence of collusion. Because they were acting as representatives of the people and as judges in passing these laws, hon. members should take the time, and sufficient interest, in these bills to see that no bill passes the house unless there is ample evidence to lay a foundation for divorce.

I am making this statement because of certain things that were said the other night on these bills, and perhaps certain things that have been said tonight. I am a firm adherent to the laws on marriage of the Roman Catholic church so far as they have been promulgated generally up to the present time, and I hope for all time to come, but I do not think that justifies me in voting against a divorce bill when it comes to this house because I am a Roman Catholic or because I adhere strictly to the laws of that church on the question of divorce.

We are all against murder; we are all against all kinds of immorality, if you want to put it that way. But if the house should take the attitude that we are not supposed to legislate on murder or any other kind of immorality, then we would be placing ourselves in a most precarious position as legislators and as judges. I have looked at the evidence in most of these cases. Even if I had not, I know how these matters are carried on in the other place, the other good place. I have been following divorces in parliament over the years, not only during the time I was here. I have closely followed the procedure by which this parliament deals with divorces and passes these bills, and I feel quite sure that it is a rare thing for any bill to come to this house from the other place without an abundance of evidence, which would be amply sufficient for these people to get divorces if they went to the courts of the country.

I am making this explanation, Mr. Speaker, because there may be people in this house, as there are people outside it, who think that because a man follows the doctrine of marriage as promulgated through the ages by the Roman Catholic church he is in conscience bound to vote against divorces. As hon. members know, I occupied a position on the Supreme Court of Nova Scotia, and I did not think I would be fulfilling the obligations of my oath if I did not decide divorce cases; for one of the reasons I was appointed was to take the responsibility for deciding any case that might be brought before me, divorce or otherwise. And I consider myself in exactly the same position tonight as when I held a responsible position in the judiciary of Nova Scotia.

The suggestion has been advanced that the province of Quebec should establish its own divorce courts. That is a matter for the legislature of Quebec. No person within or without this house has the right to say that Quebec should establish its own divorce courts.

Mr. Gagnon: We do not want divorce courts in Quebec.

Mr. Carroll: I know that, but suggestions have been advanced in this house ever since it has had to deal with divorces that as a matter of faith Quebec should establish its own divorce courts. I say that is their business, not ours. I remember reading some time ago that the Prime Minister (Mr. St. Laurent), when Minister of Justice, went exhaustively into the matter of divorce in the province of Quebec, in an endeavour to find some method of removing divorces from the parliament of Canada. That seems very difficult to do. Personally I should like to see divorce divorced from this parliament, but the question is how to deal with people in Quebec who want divorces to which under our laws they are entitled.

I am sorry to have taken up so much time, Mr. Speaker. It was more as a personal matter, in order to explain my position, that I rose this evening.

Mr. A. C. Stewart (Yorkton): Mr. Speaker, the hon. gentleman who has just taken his seat has covered a great deal of the ground I intended to cover, and I compliment him upon the honesty of his remarks to this house. However, in view of the statements that have been made by the hon. member for Nanaimo (Mr. Pearkes), I feel that a number of new members of this house may not be as familiar as they should be with these petitions to the Senate, and I propose to cover that matter briefly.

I regret that the hon. member for Nanaimo is not in his seat, though I presume he will be here later. In his remarks on this subject the hon. member said, at page 799 of *Hansard*:

> I feel humiliated that I should have sat here during the whole of the last parliament of Canada and on various occasions have seen twenty, thirty, forty or fifty bills asking for the relief of various individuals presented before this House of Commons. I wondered why these bills were presented to the House of Commons. I did not have the wisdom nor the courage to stand up on my feet and to ask why it is necessary that this type of bill should be passed through the House of Commons without any questions being asked. . . .
>
> I may be to blame. It may be that I should have examined more carefully the bills which had been passed in the other place.

The hon. member is a man of mature age, and admits having sat in this house for four years before this session. He had a galaxy of brilliant lawyers sitting on his side of the house, including our friend whom I may call "Buttercup", who would have been quite prepared to advise the hon. member on the

law of divorce. In the army we would have called that very poor staff work, to say the least. In any event it seems to me the procedure here is quite clear. Any member of this house may attend when these bills are going through the Senate. As a matter of fact I understand that a member of the Conservative party in the Senate is in charge of that committee. The evidence is given under oath. The remarks of the hon. member for Nanaimo disturbed some of the younger members from Saskatchewan who are not familiar with the practice in this house. Not only may they go there, but I understand that members of the Senate will permit them to ask any question they wish, or to put such questions through a member of the committee. Some of the members of that Senate committee are skilled lawyers, who cross-examine the witnesses. They are put through the same type of cross-examination they would probably face in court. In addition to that, when these bills come to this house they are sent to the committee on private bills, together with a copy of the evidence taken under oath. In that committee hon. members have the right to re-cross-examine the witnesses if they wish, or to question any bill relating to divorce that may come before this house. So the fault lies with the hon. member for Nanaimo if he was disturbed and perturbed as a result of not being familiar with the procedure of this house, or following the facetious remarks of the hon. member for Yorkton.

As far as the law of divorce is concerned, we in the west always proceeded by petition until certain cases were decided by the courts of appeal of Alberta and Manitoba. Those cases were Board *v.* Board and Walker *v.* Walker, the citations for which I have before me, in which it was found that the provincial courts had jurisdiction in divorce matters. In Ontario, which perhaps sets a precedent for this house, they passed a divorce act in 1930 which was passed in turn by the federal government, under which the law of England concerning the dissolution and annulment of marriage, as that law existed on the 15th day of July, 1870, in so far as it could be made to apply in the province of Ontario was declared to be in force in that province. In Nova Scotia the law of divorce is different from that of the western provinces or Ontario. In Nova Scotia, under a statute of that province, a divorce may be obtained not only on the ground of adultery but on the ground of cruelty. So the laws concerning divorce are not uniform in our provinces.

Some question was raised about Newfoundland. The hon. member for St. John's West (Mr. Browne) has spoken twice on this matter but has not yet given us the law of Newfoundland with respect to divorce. Up to the time Newfoundland joined confederation, they had no law of divorce. In the consolidated statutes of Newfoundland, page 53, section 17, there is the following:

> Our said governor is not to assent in our name to any bill of any of the classes hereinafter specified, that is to say:
> 1. Any bill for divorce of persons joined together in holy matrimony.

In the white book that has been filed in this house relating to Newfoundland, being the report and documents relating to the negotiations for the union of Newfoundland with Canada, the memorandum of agreement entered into on December 11, 1948, between Canada and Newfoundland, contains in clause 7 the following:

> The constitution of Newfoundland as it existed immediately prior to the sixteenth day of February, 1934, is revived at the date of union and shall, subject to these terms and the British North America Acts, 1867 to 1946, continue as the constitution of the province of Newfoundland from and after the date of union, until altered under the authority of the said acts.

Clause 9 of that memorandum reads as follows:

> The constitution of the executive authority of Newfoundland as it existed immediately prior to the sixteenth day of February, 1934, shall, subject to these terms and the British North America Acts, 1867 to 1946, continue as the constitution of the executive authority of the province of Newfoundland from and after the date of union, until altered under the authority of the said acts.

Clause 18, subsection 1, contains a further provision bringing in the British North America Act. I believe the whole effect of the statute of Newfoundland is that the people of Newfoundland can now do the same as the people of the province of Quebec, namely, petition the Senate for a divorce. As a matter of fact, one petition has already been received and filed. The required sixty days will expire on the 13th of November. It is a petition for divorce from the province of Newfoundland, but out of deference to the petitioning parties I shall not do as the hon. member for Nanaimo (Mr. Pearkes) did, and mention the names of the petitioners.

In so far as the whole matter is concerned, I am not going to enter into a discussion of the pros and cons of divorce. Those of us who practise law, and there are many in this house, know something about this matter. I agree with many of the statements made by the hon. member for Vancouver-Quadra (Mr. Green). I seldom agree with the hon. member for Vancouver East (Mr. MacInnis), and did not wholly agree with the statements he made about divorce. After all, people are human. I believe the average practising lawyer who has handled divorce cases found that, during the last war when the boys were overseas for five years and away from their families, roughly seventy per cent of the

divorces that went through the legal offices of the dominion were in connection with service people. It was an unfortunate circumstance, but it was there.

Many of us know of families whose lives have been unbearable because the parents cannot agree. The effect on the children has to be considered when the parents are disputing all the time or carrying on in an immoral manner with other people. That is not conducive to a happy family life. I agree with the previous speaker, who served as a judge. When I hear members say in this house that they cannot vote for a divorce bill, I wonder about the position of the judges of our high courts in those provinces of the dominion in which divorces are granted. Many of those judges are Roman Catholics, and some are Anglicans. I have talked with them and I know they do not feel any happier than the hon. members here about granting divorces. In view of the law of this land as it existed when the British North America Act was put into effect, however, they feel that they have to carry out their duty as citizens of this country. All of us, whether we are Protestants or Roman Catholics, have the greatest respect for the religion of the other party. I do not think there is any member from Saskatchewan on the Liberal side of this house who is going to suggest that the province of Quebec or the province of Newfoundland should establish their own divorce courts. That is a matter for the people of those provinces to decide in the future.

In this country, the only machinery provided for the people of those provinces to obtain a divorce is the machinery provided in the act of union, namely, the British North America Act, which gives to the parliament of Canada sole jurisdiction in the matter of matrimonial causes. It is our duty as members of this house to carry out the provisions of that section. In view of those circumstances, I believe more or less a tempest in a teapot has been raised for the poor chairman of that committee. I understand this matter has been raised continually in this house, but the divorces have been granted, regardless of what party was in power. This is the only procedure by which those parties can get a divorce. We do not want a political football made out of a matter of divorce or religion, so I do not believe any government is going to take it upon its shoulders to change these provisions. If the private members of this house are sincere they may arrive at some different method. Personally, I do not know what that method is and I do not attempt to suggest it.

In view of the discussion that has taken place and in view of the fact there are a number of new members in this house whom the remarks of the member for Nanaimo might have upset, I thought it was my duty to make this explanation.

Mr. Charles Cannon (Iles-de-la-Madeleine): Mr. Speaker, having listened to the remarks of the hon. member for Inverness-Richmond (Mr. Carroll), I noted that he was careful to underline the fact that he was speaking as a private member. I am speaking also as a private member. This is not a matter for politics. In view of the exalted position which the hon. member, before he entered this house, held as a member of the judiciary of the province of Nova Scotia, in view of the position he holds as a member of this house, and in view of the fact he has declared he is a Roman Catholic, but is nevertheless going to vote in favour of these divorce bills, I think it is my duty also as a Roman Catholic and a member from the province of Quebec, which is opposed to divorce, to make this statement. I am opposed to divorce, not only because my religion is opposed to it, but because it is the scourge of our modern society. I believe the less divorce we have the better.

I should like to point out to the hon. member for Inverness-Richmond, who has preceded me in this debate, that he said that in voting on these bills he was acting in the same capacity as he acted when he was a judge in the province of Nova Scotia. I would beg leave, Mr. Speaker, to point out there is a great difference between the judicial and the legal process. Acting as a judge, the hon. member had to apply the laws as they were. When he took his oath of office he pledged himself to apply those laws. As a legislator, he does not have to pass laws to which he is opposed in his conscience. I should like to underline that point.

I should like to take issue with the comparison the member made when he talked about murder. It was his idea that if we decided in this house not to legislate about murder, because we are opposed to murder, we would find ourselves in a very difficult situation. May I point out that when we legislate concerning murder we legislate against murder in order to repress it or punish those who commit murder. When we legislate in favour of divorce bills, or when we vote in favour of divorce bills, we are not voting against divorce but are aiding and abetting divorce. For those reasons, I shall vote against these bills.

Mr. T. L. Church (Broadview): Mr. Speaker, I was a member of the committee on private bills for a great many years. This system of granting divorces was considered then and is all wrong. I may say that, in my opinion,

the state should look after the wives and children who are affected by desertion. Divorce follows every great war. Away back in 1801, the same problem was faced by the Addington administration. So did the two Pitts. They had to face the same thing. It is one of the consequences of war. In the church to which I belong, as a humble member—and that is the Church of England—the belief is this: those whom God has joined together, let no man put asunder. That was the principle of the conference in England for a great many years. Recently a committee appointed by the houses of parliament has been considering this whole problem. It is presided over by the Right Hon. and Right Rev. William Charles Wand, Bishop of London, who succeeded Bishop Winnington-Ingram. Over there, because of the way the country has been devastated by war, and for other reasons, the desire seems to be to extend the principle of divorce to include a great many things that were not considered before as grounds for it; one of these is desertion, and there are seven or eight other matters connected with it. I was glad to hear some of the members here tonight speak on this matter, including the hon. member for Inverness-Richmond, who has just recently entered this house again. He is a learned man, formerly the Hon. Mr. Justice Carroll. I welcome the hon. member and congratulate him on his address tonight. He was formerly a member of the house and did a great deal of valuable work in connection with the national fuel supply. May I also congratulate the hon. member for Yorkton (Mr. Stewart), who is a bencher of the law society from Regina. It is a wonder to me that the hon. member for Lake Centre (Mr. Diefenbaker) is not one of the benchers because I look upon him as one of the best lawyers in the prairies.

Let me say this one thing further. In my humble opinion the state should do something to look after the wives and the children. Every state has people of this type. After every war it has these people and they are a direct charge on the municipality. I know that because I was head of a municipality. I know that they become a charge on the municipality not only for school purposes but for housing and many other matters like that. I believe that the time is coming when we should have some other system adopted by parliament for this work. When I was on that committee I noticed that we knew nothing about the bills. There is a principle of Roman law to the effect that marriage is a contract. The common law of England has been largely copied from Roman law. That has been the principle which has been adopted in this country also. It seems to me that we should provide a better system accordingly.

In connection with this matter I want to point out that there is in existence a registration system. While I admit that it cannot be so in the province of Quebec, there is a registration system operated by the provinces. For what? For deaths and marriages. They have a register with the town or village clerk to that effect. In a great many of the provinces that law regarding these matters might prevail also; but in Quebec I admit that there is a different principle involved. No one wants to change their law. Far from it. I would never try to change their law because I believe that the majority of the people are entitled to have their say themselves.

In conclusion, may I say that I think we should have a conference of the two houses of parliament, because it has been largely the prerogative of the Senate to hear and examine witnesses and all that sort of thing. I do not believe in the system. In the United States, after many wars, divorce is becoming a canker in almost every state. As I say, it follows largely as a result of wars. There is a registration system for deaths and marriages in existence in some of the provinces. I do not see why that system cannot be adopted. No doubt a different system would be required in the great province of Quebec. The archbishop who was investigating this question is travelling in the United States at the present time. He succeeded Bishop Winnington-Ingram, the great bishop of London, England. He is visiting the United States at the present moment and is going into all these questions. He recognizes that the divorce laws should be extended to include desertion, and I think there are five or six other matters connected with it, where the children and wives are left as a charge on the state.

Some hon. Members: Question.

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

Some hon. Members: Carried.

Motion agreed to.

Mr. Speaker: Moved by Mr. Winkler, seconded by Mr. Applewhaite, that these bills be now referred to the standing committee on miscellaneous private bills. Is it the pleasure of the house to adopt the motion?

Some hon. Members: Carried.

Some hon. Members: No.

Mr. Speaker: Carried.

Some hon. members having risen in their places:

Mr. Church: There are enough members for a division.

Mr. McCann: It is too late.

Mr. Speaker: I put the motion and it was carried.

Some hon. Members: No.

Mr. Speaker: Carried on division.

Some hon. Members: No.

Mr. LaCroix: We want a vote.

Mr. Speaker: Does the house wish to have me put the motion?

Mr. Weir: No. It is carried.

Some hon. Members: No.

Mr. Speaker: I declared the motion carried and hon. members did not rise.

Mr. Knowles: This is not the principle. This is referring it to the committee.

Mr. Speaker: Order. Probably hon. members did not hear what I said. I put the motion on second reading, which approved the principle of the bills, and the motion carried.

Mr. Weir: Yes.

Mr. Speaker: Then I put the motion that the bills be referred to the standing committee on miscellaneous private bills.

Mr. Weir: That is right.

Mr. Speaker: And that motion carried.

Mr. Weir: Yes.

Mr. Speaker: We are now on the next order of business.

Mr. Weir: That is right.

REVISED STATUTES OF CANADA ACT

SUBSTITUTION OF "CANADA" FOR "DOMINION OF CANADA", ETC.

Mr. Bona Arsenault (Bonaventure) moved the second reading of Bill No. 14, respecting the revised statutes of Canada.

He said: This bill, Mr. Speaker, is to amend subsection 1 of section 5 of the act respecting the revised statutes of Canada which was adopted during the session of 1947-48. The amendment provides for the addition of the following words:

—and whenever in the said statutes or acts, or amendments thereto, the expression "Dominion of Canada" is used, there shall be substituted therefor the expression "Canada," or "Canadian" or "federal," respectively, or such other adequate word as the context requires.

The reason for this amendment is to be found in the fact that, since Canada has ceased to be a dominion and has become a sovereign state, the word "dominion" as applied to Canada has entirely lost its original meaning. The word "dominion" is a very old one, Mr. Speaker. A statute of Henry VIII, dating back to 1512, refers to "the dominion honours". In 1688 a new commission in Britain was issued to Governor Sir Edmond Andros including within "the dominion of New England both New York and the Jerseys." The word "dominion" was then plainly synonymous with colony, plantation and possession. It certainly cannot be said that New York at that time was not in the constitutional position of a colony, yet it was called a dominion.

In Webster's international dictionary we find that the word "dominion" is defined as:

That which is subject to sovereignty or control. Territory governed, or over which authority is exercised.

In Funk and Wagnalls dictionary we find the word "dominion" defined as:

Obedience, servitude, slavery, subjection, subjugation, submission.

I hold in my hand the Winston dictionary published in Toronto as late as 1945 and I find that the word "dominion" is defined as:

A territory or country with a high degree of local authority, but subject to the control of another government; as the Dominion of Canada.

In the British North America Act, section 3, it is stated:

The provinces of Canada, Nova Scotia and New Brunswick shall form and be one dominion under the name of Canada.

Section 5 enacts that not the Dominion of Canada but Canada shall be divided into four provinces, namely, Ontario, Quebec, Nova Scotia and New Brunswick. In section 4 appears the following: the name "Canada" and not "Dominion of Canada". It also says:

The name "Canada" shall be taken to mean "Canada," as constituted under this act.

The generic term "government of Canada" is to be found in sections 11, 12, 13, 16, 116, 118, 132, 142 and 145. The expression "parliament of Canada" not "parliament of the dominion of Canada" is to be found in sections 17, 18, 19, 20, 35, 40, 41, 47, 51, 52, 58, 90, 92, 94, 95, 100, 101, 105, 120, 130, 131, 132, 133, 136, 141 and 146.

Section 22 refers to chapter I of the Consolidated Statutes of Canada. The great seal of Canada is mentioned in sections 34, 35, and 38. House of Commons of Canada is referred to in sections 87, 101 and 128. Therefore I contend that the official name of our country is not and never has been "Dominion of Canada" as is generally believed but "Canada" only. The word "dominion" was used only for the purpose of stating the constitutional position. It was recognized

in 1867 that the new constitution did not constitute Canada a sovereign state. It was to remain in the position of a colony with a certain degree of self-government and of dependence. It was then merely a matter of deciding what term should be used to describe that position and the term "dominion" was selected.

Our Conservative friends are silent tonight, but there were bursts of protest—

Mr. Green: The hon. member had better be careful what he says about us or we may say something about him.

Mr. Arsenault: I do not care what you say about me. I have a lot more to say about you than you have to say about me. Various whispers and clamours of "No, no, never" came from the Conservative side when this bill was introduced into the house and given first reading on October 6 last.

May I recall to hon. members, and more especially to the Conservative members of this house, that at the time of confederation Sir John A. Macdonald and Sir George Etienne Cartier, certainly by far two of the most outstanding Conservative leaders Canada has ever produced, shared these views. I quote from page 38 of the book "Problems of Canadian Sovereignty" by Maurice Ollivier:

Sir John A. Macdonald and Sir George Etienne Cartier were of the opinion:

1. That the name of the federation be that of Kingdom of Canada.
2. That the federation should have the rank of kingdom.

Some hon. Members: Nine o'clock.

Mr. Speaker: Order.

On motion of Mr. Arsenault the debate was adjourned.

Mr. Speaker: The hour for public and private bills having expired, the house will resume the business which was before it at six o'clock.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—ADDRESS TO HIS MAJESTY THE KING

The house resumed consideration of the motion of Mr. St. Laurent for an address to His Majesty the King praying that a measure be laid before the parliament of the United Kingdom to amend the British North America Act, 1867, relating to the amendment of the constitution of Canada.

Mr. L. Philippe Picard (Bellechasse): We must recognize that Canada has gone a long way toward full political maturity when the leaders of all the parties in this chamber agree on the advisability of the country having full control over its constitution. For the government party, the Liberal party, it is the logical sequence to its long stand on the question of full national autonomy. It is the ultimate of a long series of steps taken gradually to ensure or to manifest our complete sovereignty. It is one of the last milestones on our way from colonialism to nationhood. For the Conservatives, as I have no doubt their leader has been authorized to speak for his party, it is a new step that deserves due notice. It is, if not an entire reversal of attitude, at least an evolution in its approach to matters of an emancipative nature as far as our constitutional position is concerned. We are of course faced with an attempt to delay a measure long overdue but the objections are founded on a different basis than heretofore, and the principles invoked for the advisability of delaying this measure are not openly based on the traditional Conservative ground of imperial solidarity or fear of dissolution of commonwealth ties.

As to the C.C.F. party, its leader has been consistent with himself and with the views usually expressed by his supporters on that question. I must recognize that they have usually expressed the desire, which they seem to share with the Liberal party, of supporting all constitutional measures tending to bring about our complete emancipation and to eradicate anything which might permit some people to ignore or disregard our status as a sovereign nation. Therefore, sir, this debate, which the Prime Minister (Mr. St. Laurent) has heralded himself as one of the most significant since confederation, marks what I would like to consider as the dawn of a new era in Canadian politics, when all Canadians, no matter to which party they belong, have at last agreed on the necessity of thinking and acting first as Canadians and not in relation to their country's position in the commonwealth.

For too long Canada has been an orphan, so to speak, in the minds of many of its citizens. They have been at fault for diverse but regrettable reasons for too long a period. There were many Canadians whose ancestors came from the British isles who put the empire or Great Britain ahead of Canada in their hearts. For much too long a time also there have been many Canadians of French descent who have considered that their country ended at the limits of the province of Quebec. It has taken many years of patient preaching by nationally-minded Canadians of both racial groups to do away with that trend of thought. Today I think those who hold that obsolete and un-Canadian way of thinking are in the minority in both groups.

This resolution provides a way by which Canada may amend such parts of the British North America Act as concern those matters that come within federal jurisdiction. It does away with the possibility of anyone in this house tampering with the language and school rights already granted by the act of 1867. Its only effect is to put us in regard to our constitution in the same position as the provinces already are with regard to their constitutions, no more, no less.

I cannot see what danger there can be in this for the provinces and why they should be consulted except through their elected representatives in this house. This afternoon my colleague, the hon. member for Montmagny-L'Islet (Mr. Lesage), asked a question of the hon. member for Three Rivers (Mr. Balcer) who had just completed his speech. The hon. member for Montmagny-L'Islet asked if it was not a fact that the first amendment to the constitution, which was made without consultation with the provinces, had been suggested by members of the then government who were the fathers of confederation. The hon. gentleman replied that that was so, but that because they were the fathers of confederation they represented directly the provinces. The fact is that they were acting as members of the Canadian parliament, just as we are. The present government is consulting the provinces through their elected representatives in this chamber.

I am of the opinion that we should go much farther than this resolution provides, that we should find ways by which Canada could enact a truly national constitution. Much has been said and agreed about the necessity of amending the constitution; little has been said about the necessity of proclaiming a truly Canadian constitution. I shall have more to say about this later on. I think the time has come to take the first step toward proclaiming a Canadian constitution, but I also think it will take time to accomplish that. In the meantime it is advisable that we should take the steps we are taking during the present session and set up a court of last appeal and assume the right already possessed by the provinces of amending the constitution in connection with such matters as are of our exclusive jurisdiction.

The Prime Minister (Mr. St. Laurent) rightly pointed out that, of the eleven amendments which had been made to the British North America Act, nine had to do only with federal matters and were made without any consultation with the provinces. The new procedure being proposed by the government would simply confirm what has been done in the past. It will provide a way of doing this which is more consistent with our national dignity.

As I said, it may take some time before Canadians may be able to agree on the terms of a constitution and in this regard I should like to refer to an article in a newspaper which I think all hon. members have seen. The headline reads:

> We will never yield on B.N.A. Act—Duplessis

If before any discussions have been had, if before any meeting has been officially convened, one of the parties to that meeting declares that he will not do anything, that he will not co-operate or collaborate, what results can we expect from the conference? How long will it be before Canadians can agree on a constitution? But it is interesting to read, not only the headline, but what is reported to have been said by the premier of Quebec. If I may be permitted to say so, this is nothing but an appeal to parochialism and prejudice. This statement distorts the facts because nothing of what is mentioned here has ever taken place nor have the bogeymen that are brought forward in this declaration ever existed. The article goes on to say:

> "This is not a matter between Duplessis and St. Laurent," the premier said. "It is a matter of life and death. This is the time to express our opinions."
>
> "It is not a question of separatism or fanaticism, it is simply a question of patriotism, well understood," the Quebec premier said.

In spite of what he said I cannot find one argument by the premier of Quebec to show what he is afraid of. He just goes on to talk of the revolt of 1837, and I read from the report:

> He told delegates that their ancestors had lived for years in a "state of semi-slavery, having nothing to say about their government, and the public moneys spent."

We have long passed that stage. There is no danger of anyone in any party or in any part of Canada wanting to put Quebec in that position. It is simply an effort to make a bogeyman out of nothing. It is simply an appeal to prejudice. The report continues:

> He said they fought to obtain the right to elect representatives, and described the 1837 rebellion, which led, "after many efforts," to the Act of Union in 1840, which united Ontario and Quebec into one province.

No one wants to bring about that condition again. There is no one in this country who is uttering a word against the liberties or the rights of Quebec. They are not even mentioned. On the contrary, special effort is made in the resolution to exclude any rights which have been granted to the provinces. The resolution reads:

> The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces—

There is no mention at all in the resolution of anything that would have any effect on

provincial rights. This is simply taking a step in the right direction which, as I said a moment ago, I hope will be followed by the proclamation of a truly national constitution. There is nothing in this resolution that menaces the liberties or autonomy of the province of Quebec. According to this report the premier went on to say:

"The authors of confederation decided upon a government based on the rights of the pioneer provinces . . . They decided on many autonomous governments instead of a central government which would have assimilated the (provincial) legislatures."

No one wants to assimilate the legislatures. The fact is that we are protecting their rights by this resolution. The only judgment that we can form on such a declaration is that it is a political appeal for political reasons to try to get the people of Quebec to find in Mr. Duplessis the defender of their rights. The province of Quebec knows now that it has at the head of the country and at the head of the Liberal party a man who will respect the rights of Quebec as much as those of all other provinces of Canada. We have had enough of such appeals to prejudice in this country. How can we expect harmony to come out of the next constitutional convention, the next dominion-provincial conference, when a man comes forward before he knows anything about what will be proposed at that conference and says: We will not do anything; we are in danger. It is just a plain farce for political reasons.

In the past the Liberal party, Mr. Speaker, has stood strongly in this house as well as in the provincial legislatures as the defender of provincial autonomy, long before Duplessis or people of his kind ever existed. But the Liberal party also stands as the defender of national autonomy, sovereignty and unity in Canada.

In introducing the measure the government's first consideration evidently is to do away with the necessity of going to another country for the amendment of provisions that concern only the federal powers. If the provinces had to come to Ottawa or to Westminster for amendments affecting their own prerogatives they would be the first to object to it and to claim their right of disposing themselves of their own privileges and prerogatives. Therefore there is no basic danger to any provincial rights in the present measure.

The strongest objection is that the government is proceeding piecemeal with its reform of our constitutional machinery, and that is quite so. I can see no cause for alarm in this but a determined effort to effect, when the moment is ripe and when public opinion favours it, the necessary changes that will affirm further our full autonomy and our

[Mr. Picard.]

national sovereignty, instead of waiting for the pleasure of a man like Duplessis to agree to the necessary measures. It is all very well to say that because Westminster will accept any change we ask for it is sufficient proof of our autonomy. Yet it is anomalous to have to put in motion this cumbersome machinery each time we want to act in our own right within the realm of our federal powers, and when the provinces can exercise their own prerogatives freely and alter the use or disposal of their rights within the powers given to them by the confederation act.

This afternoon the hon. member for Three Rivers (Mr. Balcer), in a very eloquent speech, mentioned many Canadian statesmen and quoted at one time the Hon. Mr. Mercier, a former premier of the province of Quebec, who had stated that the existence of the provinces preceded that of the dominion, and that it was from the provinces that the powers of the federal government were derived. He said that they are sovereign in the limits of their attributions. We do not deny that. It is our contention that the provinces are sovereign within the limits of their powers. Elles sont souveraines dans les limites de leurs attributions. That is what we contend also. We do not want to alter any of those powers without a conference.

The Prime Minister (Mr. St. Laurent) has said that a conference will be called, and it must be for the purpose—although I am not in on the secret—of elucidation on the necessary changes that may affect some rights that are borderline rights or that are provincial rights. In this resolution, however, where we are dealing with our own prerogatives, nothing is proposed that would force the government to appeal to the provinces. None of the authorities that my friend quoted this afternoon apply to the present situation. We are not affecting provincial rights nor any of their prerogatives in any way. We do not want to alter or diminish any of their rights. By voting for the resolution we do not contradict in any way the views of previous leaders which applied to material changes in the rights of the provinces. That is what they meant.

I do not believe that the present Prime Minister, any more than any other hon. member, would want to infringe on the rights of the provinces without their consent or without a normal agreement having been arrived at. We do not endanger in any way the rights given to the provinces under section 133 of the British North America Act, as my friend suggested. On the contrary we certify them; we specify that we shall not have the right to make changes affecting schools and languages.

As to the fields where both sides may consider that they have rights, they can do as has been done in the United States or in any other confederation. They can go to the courts of justice to have them judged, and I think it is quite unfair to say that because the supreme court judges are appointed by the central government they will be biased. It is an insult to our judiciary and to the minds of our legal men. As I said in a previous debate, these people do not stand as arbiters. They are judges and they will judge the law as well as, and probably much better than, members of the privy council, and as well as the Supreme Court of the United States does for United States laws.

The leader of the opposition (Mr. Drew) said at one time that no question of sovereignty was involved. Nevertheless he is too good a lawyer not to be conversant with international law, and he later recognized that the necessity of going to another country for amendments is a reminder of our colonial era that no self-respecting nation ought to endure any longer. He differed in his opinion on the question of when it should be done, who should be consulted, and in what way, but it is hopeful for the future to see that he agreed on the necessity of doing away with that procedure.

To my mind the present measure, and that which abolished appeals to the privy council, were long overdue affirmations of our national sovereignty, but they can be considered as the last moves we can take before we launch a truly national campaign for complete constitutional emancipation by way of a Canadian constitution proclaimed in Canada.

I am perfectly in accord on this question with the proposal that the leader of the opposition made at one time that a national constituent assembly be summoned, although I thought it was perhaps a way of delaying action. I am in accord that it should be the ultimate aim, but from what I showed the house a moment ago it would take a long time to come. I think we all should have as our aim that Canada should have its own constitution.

I should like to quote what I said on the matter on the 11th of June, 1946, in the debate on the redistribution bill. I stated:

> Canada has outgrown her outmoded, colonial style constitution, and it is time for her to assert her national will and to take her place among those nations of the world which have elaborated constitutional monuments as their basic law. Canada owes it to herself to nominate a constituent assembly and to draft a new constitution.

I think we can all agree on that when we see so many parties agreeing on the necessity of amending our constitution. There is only one step to go to realize that we should have a constitution that would not be the act of a foreign country.

The basis for a new constitution might well be, and probably should be, the British North America Act, but it need not be a full repetition of it nor a rehash, if I may say so, of its contents. When I say it should be the basis I mean that the religious, language and school rights granted by the British North America Act should not be tampered with and should not be diminished in any way or form. I mean that the division of power as between the federal parliament and the provincial legislatures should not be altered without agreement; but it would be useless to go to all that trouble if we were to repeat verbatim, of the British North America Act, what was suitable in 1867 but what may not be considered advisable in 1950. Yesterday the hon. member for Eglinton (Mr. Fleming) pointed to many clauses that would not be consistent with our status of today. If I am not mistaken he mentioned sections 55, 56 and 57, and quite aptly. There may be many others which we call spent clauses, that are of no further use and which should not be continued. Furthermore there are many conventions, precedents and grants of privileges by the former so-called mother country that have become part of our constitutional heritage and which, where applicable, might well be included in the new instrument. Referring to Ollivier on "Problems of Canadian Sovereignty", at page 44 the author says:

> We generally look upon our constitution as being a written constitution because it is to be found in the British North America Act, but here again this statement is only partly true, for it is correct to say that our constitution is also partly unwritten as it "includes all the great landmarks of British and Canadian history as well as generally recognized conventions and usages."

Speaking in 1946—and this may please the hon. member for Lake Centre (Mr. Diefenbaker)—I said:

> . . . I personally would include in the constitution not only the provisions of the British North America Act but such an act as was suggested some time ago by the hon. member for Lake Centre, namely, a bill of rights, which should be part of our constitution.

Since that time the United Nations have drawn up such a bill of rights, much of which could be included in our constitution. Many of the countries emancipated after the first great war have such provisions in their constitutions. I have several before me, and it seems strange that I should pick up the constitution of Turkey, in which country many democratic rights may not be fully respected; but that constitution provides:

> All Turks are equal before the law and are, without exception, obliged to respect it . . .
>
> Natural rights of Turks include: inviolability of person, liberty of conscience, of thought, of speech,

of publication, of travel, of contract, of work, of possession, the liberty of association and assembly, and to form commercial societies.

That is just one of many such constitutions; and I think that would be an advisable thing for us to consider when a national convention meets. The full sovereignty of the country should be proclaimed, and the democratic character of our form of government should be emphasized. When we think that there is nothing in the terms of the British North America Act to outline even the responsible form of the government that is ours, it is clear that such a declaration should be included in the constitution, because much was left unsaid in 1867.

Referring to the British North America Act we find a description of the executive council; then in section 48 it is provided that questions arising in the house shall be decided by a majority. These are the only references to confirm the fact that we have rule by majority and that we have a democratic form of government; nothing is stated directly. Britain's constitution cannot be found in one instrument, and it is thus called unwritten. But it has its source in many historical documents such as Magna Carta, the Bill of Rights, and innumerable precedents and laws that have sanctioned the evolution of constitutional customs. I doubt whether for a federal state like Canada it would suffice to re-edit the British North America Act and rest upon British customs and precedents.

We are a mature nation. It may be that economically, as some maintain, our part of the continent might have fared better had we become united with the thirteen states that formed the nation to the south in 1774. But our destiny has unfolded otherwise. We have evolved through a slow process into a separate and independent unit, no matter what may be the views of many as to what would have been our fate had we cut the ties with Britain when the other colonies did. That is useless speculation and wishful thinking. Now we must all play our part in the continuing evolution of our institutions toward full manifestation of our undeniable rights as a sovereign nation. We are a mature people, and our constitution should be the mirror of our enlightened conception of a young, modern and energetic state. The childish contentment at having grown out of our former constitutional shackles should not express itself in the copying of institutions which may have suited another country in other years. There is no immutable form of constitution, any more than there is an immutable form of government. As John Hawgood says in his book "Modern Constitutions since 1787":

. . . while certain individual constitutions might seem particularly admirable, no one type of ideal state could suit all conditions of people and all environments.

It would be folly to tie ourselves to a too rigid constitution; yet it would not suit our federal form of government to have a vague system of precedents and customs and conventions in a constitution loosely knit around a symposium of the principles of the British North America Act. It might not suit us either geographically or ethnically.

We need a really well defined constitution which will recognize our position in the world of today and will contain provision for amendment according to the needs of tomorrow, while safeguarding the sacred rights which are one of the bases of our unity in diversity. Several hon. members have quoted the late Right Hon. Ernest Lapointe. I should like to put on record a statement he made in a lecture delivered in Montreal on January 16, 1932:

A constitutive agency, whatever it may be, agreed to unanimously by the citizens of a state, ought not to prevent the future modification of the regime which it established. Sovereignty is inalienable and imprescriptible, and one generation has not the metaphysical right to bind definitely the future generations and to remove from them the competence which they themselves have used. It cannot determine beforehand and in an absolute manner the kinds of political and social realities of the future. The reforms ought to be made difficult but not impossible. Their realization ought to be subject to forms, procedures and to delays, but when a constitutional reform is demanded by the political or social situation of a country, and desired by a great majority of its citizens, prohibitions enacted twenty years, fifty years or a hundred years before should not constitute an obstacle. They will then be either violated or turned around.

That is a statement by a gentleman who has been quoted frequently during this debate. It is strange how our friends make heroes and gods of our great men after they are dead, but do not recognize them when they are alive.

The modern constitutions owe much to the development of thought since the publication of Montesquieu's l'Esprit des Lois and the great words of the French encyclopaedists whose preachings have opened the way for recognition of the equality of men, of their rights and for the reshaping of constitutional institutions throughout the world. It is true that most modern constitutions, up to the new constitution given to Italy by Mussolini in 1920, have taken their inspiration from the French constitution of 1793.

There is one thing we are prone to overlook, however, and that is that if it is true that the United States is one of the young

countries with regard to its period of existence, it is equally true that its constitution is one of the oldest of the democratic constitutions in the world. The constitution of the United States has also had a considerable influence on constitutional development throughout the world. It might not be inadvisable, therefore, to have a close look at it without intending to be any more servile in that direction than we ought to be in exactly copying the British customs.

The Prime Minister has let us know, Mr. Speaker, that a dominion-provincial conference will take place following this session. I wonder if this would not be the time to devise a means of forming a constituent assembly and to arrive at an agreement on the formation of a drafting committee charged with the task of formulating a truly Canadian constitution. I believe from what we hear of the feeling in certain quarters, no attempt should be made to discuss the details of the constitution or its amendments at that dominion-provincial conference. Instead of that, there should be a general discussion of the aims and purposes of a constituent assembly, the ways to compose it and the methods by which it might work. I think perhaps the drafting committee ought to be limited to, let us say, sixty members and made up of an equal number for both the dominion and the provinces. I agree with the leader of the C.C.F. party in his opinion that the committee should be composed of the different parties so that the various trends of thought in the country could be represented. Such a committee could study the problem and hear from the different constitutional authorities as to the things which should be included in the constitution.

This committee should, in turn, submit an agenda to the provinces and have those provinces submit a proposed draft constitution. After a period of about three months for the provinces to consider the matter, a meeting should be held to work out compromises on certain sections in the various draft proposals. After a final draft has been arrived at, it might be sent to the provinces for their consideration. They might be given, let us say, two months to consider that. After this committee had explored the whole situation, the convention itself might be summoned and the question studied there on its merits.

Any question arising on something in the draft should be settled only in a manner which meets with the approval of two-thirds of the delegates. My idea of the constituent assembly is that it would be a very large body of people and would include all the members of the federal parliament, as well as an equal number from all the provinces. Care would be taken to provide representation for the various trends of opinion based on the last election. If a province normally has ninety-eight seats and should send only seventy-seven people, it should not select seventy-seven from one party but a fair representation from all parties.

After this convention has carefully considered the situation, it might arrive at an agreement. The meetings of the committee should be in camera. There should be no publicity so we would avoid having the committee used as a platform for political purposes. Real work could be accomplished in such a committee before a constituent assembly is summoned. Worth-while suggestions could be studied by such a body and then submitted to an assembly of Canadian statesmen. This is just an idea of mine, but I believe it might be worth exploring.

The methods of amending that constitution would also of necessity be more elaborate than those which we find in most countries. I have not enough time to go into the details, but most modern states provide for a limited number of people to vote in one house before the constitution can be changed. It may need a two-thirds vote or a three-fifths vote.

In Canada today each of the provinces has the right to amend its constitution. I should think that in the new constitution there should be a provision to the effect that even in those legislatures, a two-thirds vote would be necessary before a change could be made. The same provision should be made applicable to changes with regard to the powers of the federal parliament. A two-thirds vote of the members of this house should be necessary. These rights the provinces already have and the federal parliament will have after this resolution is passed.

There would remain for consideration the minority rights, and I would think they could easily be safeguarded by making it necessary before any change is made in such matters to have it approved by two-thirds of the members in the federal house and by two-thirds of the members in the legislature of all of the provinces. I do not think we should fear any danger if such a provision were enacted. In any form of Canadian constitution, Mr. Speaker, provincial autonomy should not be violated, but the structure of our constitution should not be such as to weaken the nation as a whole. Canada cannot safely develop into separate units fighting against each other over the taxpayers' necessary contributions. The best methods should be devised whereby all governments, federal and provincial, may operate efficiently with a minimum burden on the citizens.

Complications can originate only in the minds of fearful people and also in the minds

of political Machiavellis such as we now have at the head of the provincial government of Quebec.

The jurisdictional clauses of the constitution cannot extend to more than two classes of legislative authority, the federal and provincial. The latter already have the right to amend their constitutions. Once the measure now before us is passed, the federal parliament will have a right to amend the constitution in connection with matters falling within its jurisdiction. There would remain only those minority rights I mentioned a moment ago, school or religious rights. As I have explained, those could be safeguarded the same way. Only when we have achieved such a constitutional structure with clear-cut provisions for amending it, can we hope to take this problem out of the field of political speculation and political squabbling.

Before I conclude, Mr. Speaker, I should like to mention the amendment that was proposed by the C.C.F. group. I do not think there is any danger that this government or any other government might want to extend its life; yet this amendment deserves consideration. I would think twice before I would vote against it. The amendment states that—

> . . . as regards the requirement of section twenty of this act that there shall be a session of the parliament of Canada at least once each year, or as regards the requirement of section fifty of this act that no House of Commons shall continue for more than five years.

I believe that is a sound parliamentary principle. Whether or not I vote for this amendment, I believe our future constitution should definitely and clearly settle that question. I consider that amendment a valuable contribution to the debate.

In conclusion, Mr. Speaker, may I say that I firmly believe the measure now before us is in the national interest. It violates in no sense the spirit of confederation, nor does it endanger the rights of the provinces or minorities. What more can be demanded, Mr. Speaker, until such time as we are in position to proclaim a truly national constitution, which I hope may be given to this country at the instigation of the present Prime Minister.

Mr. Raymond Bruneau (Prescott): I believe, Mr. Speaker, that we in this house, the representatives of the people, are fortunate to be able to rise today and participate in a debate of such scope and importance on an act to amend the British North America Act, 1867, relating to the amendment of the constitution of Canada.

At the election held last June we were given a mandate by the people of our country; and it is a known fact today that all

Canadians were aware of the intention of our Liberal government at the next, the twenty-first, parliament to propose a bill enabling us to amend our own constitution. On June 27 the same people of Canada gave those who advocated such a measure an overwhelming majority, thereby sanctioning the program that we have now decided to implement.

I will say here in this house that the people of my constituency—like those of a large number of other constituencies who have sent members here on the Liberal ticket—who have accepted my platform, which is the Liberal platform, have given me a majority vote well aware of our intention regarding this amendment. I am here today by the will of my people because I am a supporter of the present Liberal government of the Prime Minister (Mr. St. Laurent); and it is my duty to support this bill proposed yesterday by our Prime Minister.

Two world wars and an intense participation in world affairs have placed Canada among the leading countries of the world. Yet our country, which we like to call "Land of hope and glory, mother of the free", is not yet free to amend its own constitution. Until that objective is achieved, it is impossible to call it a sovereign country. It is true that when a child learns to walk it needs a helping hand and a good deal of coaching. But I believe that we have now passed that stage and that we are ready to walk. Yet we still are obliged to rely on the government of another country for a solution to our legal problems.

To those who advocate protection of minority rights I wish to say that I, as a French-speaking Canadian, belong to that minority and that I certainly have no fear as regards the rights and privileges of the people of my race. I have great confidence in the decisions of our own supreme court; I am sure that those rights and privileges are in good hands and that they will be well protected whenever we shall have recourse to this legislative body.

Since the creation of the supreme court in 1875, no unfortunate decision has yet been attributed to that federal court of justice; and let me say here that this body will be in a better position than a body in another country to understand our needs and to render the best possible solution. Other countries of the commonwealth have tried the experiment, and I have yet to learn that one of them regrets having taken such steps. Since 1900 Australia has been master of its own decisions. South Africa followed the example in 1909, and New Zealand has already taken a step in that direction.

Evolution is unavoidable. We have progressed in the art of governing ourselves since the British North America Act of 1867, which followed the Quebec Act of 1774, the Constitutional Act of 1791 and the Act of Union of 1841. We have now in 1949 to decide, by the present bill, to give our own supreme court power to amend our constitution. Let it be understood, sir, that such amendments will pertain solely to questions of a federal scope; and you may rest assured that the people of Canada will never tolerate our meddling in the affairs of the provinces. We ask from the parliament of Westminster this right, and nothing else.

Some hon. members will hold that it would be preferable to consult the provinces before going into such an enterprise. I am at a loss to see anything wrong in this attitude of ours which is, first, to secure the right to amend our constitution and then to consult the provinces as to the ways and means of doing so. Why not start with the first thing first, and with one question at a time? We have tried to do otherwise before, and the result has been a lamentable failure.

No hon. member in this house is against the idea of first establishing our sovereignty, which right we have certainly acquired through our participation in world conflicts and in our co-operation in the settlement of world affairs. When we have taken that step, we can consult the provinces on the next logical problem to be solved, namely, the amendments to the constitution which are in the best interest of the ten provincial governments. A man of outstanding sagacity has set forth the axiom of the art of governing with a precision that has never erred. Junius, the great legislator, said: "Eternal vigilance is the price of liberty." And with Sir Wilfrid Laurier I will add:

> The cabinet form of government lends itself marvellously to this necessary vigilance. On one side of the house you have those who govern and on the other side, those who watch.

As we shall most likely always work under the cabinet form of government, I will say, sir, that there will always be two sides; one to administer and to amend, and the other to watch; both sides, as a whole government, endeavouring to give to the country the best possible administration. One good way to achieve this aim is to secure this right to amend our constitution.

(Translation):

Mr. Henri Courtemanche (Labelle): Mr. Speaker, although I approved the principle of amending the constitution mentioned during the debate on the address in reply to the speech from the throne, I must, in fairness to myself and to the principles advocated, oppose the resolution as it now stands. No one denies that the constitution must be amended since it does not fully comply with our needs; however, as I support the theory that the constitution is a pact, a treaty, a convention rather than mere legislation I cannot admit that the present government has the right to decide arbitrarily and of its own accord what rights come under dominion jurisdiction on the one hand, and provincial jurisdiction on the other.

The whole country is wondering why the Prime Minister (Mr. St. Laurent) feels impelled to take the place of all the great jurists in order to impose his own personal views. I am not loath to state, in the wake of the premier of Quebec—even though my hon. friend from Bellechasse (Mr. Picard) starts at the very sound of this name—that:

> We are convinced that if the province of Quebec had considered the B.N.A. Act merely as a statute, subject at all times to amendments at the federal authorities' pleasure, it would not have agreed to it. It seems obvious to us that, at confederation, the statesmen of that time had in mind and sought to confirm a compact or treaty. Moreover, there are several judgments of the privy council to the effect that it is not a statute, but a pact.

I suggest it would be a calamity to do away with the proper safeguards provided by the fathers of confederation, which made it possible for Canada to grow and prosper, notwithstanding certain periodic depressions.

The Prime Minister's haste is understandable. He feels he has to hurry. He is no longer forty and wishes his name to be remembered by posterity. But let him beware. The proverb applies to him as well as to others, "Time does not respect what is done without it." What did the fathers of confederation think of their work? Let us refer to Sir John A. Macdonald who said:

> The government presents the proposal as a whole and will use all its influence to have it adopted without change and for a very simple reason. This proposal has not been prepared by the government of Canada or that of Nova Scotia, but is a treaty between the various colonies. all its clauses were thoroughly discussed and it was adopted through mutual concessions. . . . Those resolutions are like a treaty and if they are not adopted in their entirety, the whole process will have to be started all over again.

Sir George Etienne Cartier stated the following:

> The Canadians, said the British ministers, come to us with a constitution already written out and which is the result of a friendly understanding among themselves and of a ripe discussion of their interests and their needs. They are the better judges of what suits them best; let us not change what they have made. Let us approve their confederation. . . . Yes, it was in that spirit that England considered our request. We needed her approval and she gave it unhesitatingly, without any desire to interfere in our achievement.

The Hon. Ernest Lapointe, a former minister of justice and the predecessor of our present Prime Minister, was more concerned

and careful with provincial autonomy. I wish to read what he had to say about confederation in 1937. I am sorry to repeat some of the arguments which were mentioned this afternoon or yesterday, but allow me, for the needs of this discussion, to quote them again. The Hon. Ernest Lapointe said:

> The British North America Act is the result of protracted and difficult negotiations, and finally of a compromise to which the provinces have agreed through their recognized official representatives. Consequently there has been a legal agreement in proper form, ratified in full freedom. It follows that the authorities empowered to bring about amendments to our national constitution—

These are the very words used by Mr. Lapointe.

> —are the provinces whose goodwill has made possible the union and whose unanimous goodwill is indispensable to any amendment which it may be decided to bring about.

The imperial parliament was not bound to sanction that agreement, but once it had consented to do so, it could no longer make unilateral changes in its terms without thereby infringing upon the juridical and moral rights of the parties to that agreement, no more than the dominion government, whenever Canada is empowered to amend its own constitution, will be able to make unilateral changes in that part of the constitution which unquestionably applies to provincial legislatures.

The Prime Minister says he will consult with the provinces before amending anything, but why does he not consult with them before submitting his resolution in order to determine what is and what is not within the purview of the federal government? Why should he seek to settle that much debated question by himself? Far from being a failure of his legislation, the withdrawal of this resolution as introduced would increase the Prime Minister's stature in the eyes of his people and his action would prove that he is anxious to meet the requirements of all contracting parties. Within their own sphere, the provinces enjoy powers of autonomous government just as much as Canada's parliament. In that case Canada's parliament cannot take upon itself to change the act granting the provinces the powers they enjoy. Ernest Lapointe once said: "The British North America Act is the charter not only of the Dominion of Canada, but of the Canadian provinces as well".

We derive our powers from the British North America Act. So do the provinces. They have no constitution other than the British North America Act. Would it be fair to assume the right to amend this act which is as much the constitution of the provinces as it is that of Canada? Are we justified in amending the constitution without their consent in such a manner that the provinces will be deprived of the rights they have owned since confederation? By virtue of the very provisions of the act of 1867, this parliament cannot, and should not, without consent from the provinces, seek the authority to amend the constitution which is theirs as well as that of Canada.

The resolution, as it stands, would be opposed by Sir Wilfrid Laurier, the great Liberal chieftain, whose name so readily comes up at each federal election in the province of Quebec to convince the electors that we are still adhering to the policy expounded by that great statesman. After what certain hon. members have said during this debate, let us hear what Laurier had to say on the subject in 1907, and I quote:

> Confederation is a compact, made originally by four provinces but adhered to by all the nine provinces . . .

And today by all ten.

> . . . which joined the union. I submit to the hon. members of this house that this pact must not be amended lightly. It should not be tampered with save in cases of real necessity, and only after the provinces have had an opportunity to make their views known.

Here is what Sir Robert Borden said at about the same time:

> True, the provinces are already represented at Ottawa, but as we are asked to amend a federal pact, it is only fair that each province be consulted and that its decision be based on the full right it enjoys as a separate entity.

The amendments required in the light of experience gained in past years can be effected only by legal and constitutional means. No arbitrary procedure can be followed; these changes cannot be brought about solely at the request and by the will of the dominion parliament. Other parties as directly concerned in this issue as the central administration must also have their say in the matter; it is necessary to consult with them and to secure their approval.

I suggest that this parliament take the legal and constitutional means at hand. This is also the friendly solution. Let all the contracting parties be called in consultation so that they may agree on the amendments required and give them their approval. I do not know of any other procedure.

If with the support of a submissive parliamentary majority the provinces are put in a strait-jacket, history and the electorate will hold the Liberal administration responsible. (*Text*):

Mr. Charles Cannon (Iles-de-la-Madeleine): Mr. Speaker, I shall not intervene in this debate at any great length because it has been going on for some time and most of the ideas that could be developed have been developed. However, I should like to say a few words about the so-called compact or contract theory of confederation. As luck would have it, the hon. member for Labelle (Mr. Courtemanche), who just preceded me, stated certain opinions on this subject with which I beg to differ.

The hon. member said that our constitution is a pact or contract, but I submit that it is not. I intend to develop my argument by showing that it could not be a contract or a pact because a contract must take place between existing parties who have the legal capacity to contract, and there must be some understanding. That is elementary in law and I intend to develop those three points briefly.

Before I do so I should like to say to the hon. member for Labelle that he is greatly mistaken when he says that the Prime Minister (Mr. St. Laurent) has taken it upon himself to impose his views on the subject of confederation upon those of the majority of well known jurists. Anyone who has studied the question must know that this matter has been debated back and forth for many years. There are two schools of thought. One school holds that confederation is a statute while the other school holds—this is the school of thought followed by the hon. member—that it is a contract. Nearly all the constitutional authorities now accept the theory that it is not a pact, that it is not a contract, but that it is a true statute.

I should like to refer to another argument advanced by the hon. member for Labelle. He says that the present government of Canada wishes to take away from the provinces the legitimate safeguards that were written into confederation by the fathers of confederation. Rather than taking away legitimate safeguards the government proposes to give to the minorities of this country, to give to the use of the French language and to give to the educational rights in this country, safeguards which have not existed under the constitution up to the present moment.

The hon. member for Labelle also said that the constitution of Canada as embodied in the British North America Act is based entirely on the resolutions passed at Quebec. He quoted Sir John Macdonald as having said that those resolutions had to be adopted in their entirety. Any student of constitutional law or of the history of our country knows that, far from being based on the resolutions of Quebec, the British North America Act actually embodied less than half of those resolutions while it embodied a good deal of additional material inserted in it by the British parliament at the time it was passed. In substance it is a statute of the British parliament and is not, as has been stated many times, based entirely upon the resolutions passed by the colonies before confederation became a fact.

For confederation to be a pact it would have to be a pact between existing contracting parties. At the time the British North America Act was passed the Dominion of Canada did not exist; it came into existence only as a result of the legislation passed at that time. The provinces of Ontario and Quebec did not exist; at that time they were united under the Act of Union. While Prince Edward Island existed at that time it did not enter confederation until some time later under an agreement. British Columbia came in afterward under an agreement. Manitoba, Saskatchewan and Alberta were created by the dominion parliament. None of those provinces existed at that time. The Dominion of Canada, with which they are supposed to have contracted, did not exist either.

My second point is that they did not have the legal capacity to contract. The colonies that existed at that time were not part of the dominion and did not have the legal capacity to make treaties with one another to form a federal state. It was not done in that way. It was done by an address to the British parliament which was the only legislative body that had the power to create the Dominion of Canada. That was done by a statute of the British parliament and not by any pact or understanding. As I have said, the parties to that so-called pact did not exist and, in the second place, they did not have the capacity to contract.

My third point is that in fact there was no agreement which became the basis of confederation. It is easy to establish this by going back into constitutional history and looking at the so-called Quebec resolutions. If you examine those and the British North America Act which was passed subsequently you will see that there was no such agreement. The supposed agreement upon which those who advocate the compact theory rely was never incorporated into the British North America Act. Things were deleted and other things were added. It was not at all the same thing, not at all the same understanding.

In 1935 a committee of this house was created to consider whether confederation was a pact or contract. Some of the greatest constitutional authorities in Canada gave evidence before that committee, including Dr. Beauchesne, who was clerk of this house for so long. I am sure hon. members of this house have the greatest admiration for his learning and knowledge of constitutional law. All the constitutional authorities who gave evidence at that time before the committee were of the opinion that the British North America Act was in truth a statute and was not in any sense a pact or contract. It has been said that certain of our political leaders and writers have said that it is a pact and have used the word "pact" or the word "contract" when talking about confederation. I say, with all respect for those who have used those expressions, that they were not speaking from a strictly legal point of view. In this house we are a legislative body. Our purpose is to legislate and we are commonly known as legislators. Therefore I submit we must look at these matters from a legal point of view.

I have pointed out that the constitution of Canada, from a legal point of view, is not based on a pact or a contract. If these people used the word "pact" or the word "contract" they did so for sentimental or political reasons, or possibly as a figure of speech in order to make a comparison. It may be said that although it is not a legal contract there was a moral understanding between the two great races that constituted Canada at that time, but that is as far as we can go. We may say that there was a gentleman's agreement, a sort of pacte d'honneur, as one would say in French, between the French and English speaking races at that time with respect to one another's rights and privileges. That is as far as we can go. We cannot say that it is in truth a pact or contract.

My conclusion is that, as the constitution is neither a pact nor a contract, our opponents, who base their arguments for safeguarding the rights of minorities, the right to use the French language, and educational rights on the theory that it is a pact or contract, are basing their arguments on very slippery ground, to put it mildly, on very dangerous ground. They are building on sand because they are basing their arguments on sentimental or political grounds but not on a sound legal basis. I say that after the legislation that the government is introducing has been introduced, after our constitution has been amended, and after the resolution has been implemented, then the rights pertaining to education, the use of the French language, and the protection of minorities in general will be on a sound legal basis, and that those who are interested in protecting those rights will be in a better position than they are now.

I do not wish to take the time of the house any longer. As I said, the debate has already been prolonged, but those are the reasons that I wish to give for voting in favour of the resolution.

(Translation):

Mr. Raoul Poulin (Beauce): Mr. Speaker, I wish to take up only a few minutes of the time of this house in order humbly to set out my views on the point at issue.

The question is to know if henceforth this country may amend its own constitution, without first obtaining permission from a foreign power. I hope that this phrase, foreign power, will not be taken in a disparaging sense.

It would seem that all here are agreed that Canada should have this power.

But the point on which our opinion is not that of several members of this house is, no doubt, the manner in which this change must be effected.

I think I may, indeed must, expose at this juncture an old theory, even though it might appear somewhat contradictory to several hon. members, whose authority I respect since most of them, being lawyers, are admittedly superior to myself. The soundness of this theory has been contested, it seems, by many.

Everyone is entitled to his own opinion in this matter. I shall have the fullest respect for any who oppose my views, and I only ask for the same fairness in return, so long as I deal with this matter with due frankness and dignity. Even though the idea may seem antiquated, I shall try to prove to this house that the confederative act is a contract, and one that cannot be amended without the unanimous consent of the contracting parties.

Every member of this house is aware of the events which brought about in this country the discussions, meetings and negotiations which led to the Charlottetown and Quebec conferences. At that time two groups in Canada controlled all political and economic life: Upper Canada, inhabited mainly by Canadians of British origin, and Lower Canada, inhabited almost exclusively by Canadians of French origin.

Needless to add, these two groups displayed a rivalry which was exceedingly harmful to their normal individual development and to the harmony which should exist between citizens of the same country.

For a time it was thought that the Act of Union in Canada, passed in 1841, would have solved the problem. Unfortunately it was not to be so, and it was only through the great ability and vast energy of a Canadian, Louis Hippolyte Lafontaine, that a possibly irreparable deterioration of the situation was averted.

Fortunately the leaders of the two groups, both French and English, understanding that everybody's interest was at stake, decided to attempt the impossible in order to arrive at an understanding.

The discussions began. The great majority of the English leaders were in favour of a legislative union. On the other hand, the French ones held out for a confederative union. Concessions were made on both sides, but the province of Quebec was nevertheless allowed certain privileges which it was unwilling to sacrifice at any price and which it had indicated as essential conditions of its entry into confederation. After study, discussions, concessions from both sides, an agreement was finally arrived at and consent freely and mutually given to a formula. It is that agreement that we call a compact.

Who, may I ask, Mr. Speaker, is better qualified to give the exact name to the act they brought about than the very authors of this agreement? Can it be thought for a single moment that these gifted and well meaning men, the pick of the two races concerned, did not know the nature of the act which they brought about? Well, what name did they give it? All agreed to call it a contract, a treaty. I have collected several quotations, but shall not read them to the house.

Mr. Arsenault: Would the hon. member allow me to ask a question? If, as he contends, the Brtish North America Act is a contract, would he please tell me whether the Quebec resolutions, which constituted this alleged contract, are textually included in the British North America Act?

Mr. Poulin: The resolutions are not included exactly word for word, but I do not believe that there are any changes important enough to alter the very nature of the resolutions then agreed to.

I should like to quote only Sir John A. Macdonald, as reported in the parliamentary debates on confederation in 1865, pages 16 and 17:

> . . . this proposal (confederation) has not been prepared by the government of Canada or that of Nova Scotia, but is a treaty between the various colonies; all its clauses were discussed . . . those resolutions are like a treaty . . . (page 32) this proposal may be considered to be a treaty agreed to between the various provinces.

And that treaty or contract, who made it operative? Having come to an agreement, the parties concerned did exactly what our people do after they have made an agreement. They go to a notary asking him to draw up an official act recognizing the validity of the agreement, sealing it and telling the contracting parties that they are bound for the future, that they cannot change what has been decided upon, unless they come back and ask, by mutual and unanimous consent, that another agreement be drawn up.

Mr. Arsenault: Will the hon. member permit me another question?

Mr. Poulin: I am sorry, but I have already discarded some quotations—

The Acting Speaker (Mr. Beaudoin): The member for Bonaventure (Mr. Arsenault) knows very well that he cannot ask his question without the hon. member's consent.

Mr. Poulin: I believe I have been condescending in permitting one question and if another were granted, it would take too much of my time.

Under the circumstances, the notary—it was the Right Hon. Ernest Lapointe who coined that expression—was the imperial parliament. The notary had long side-whiskers, rather narrow glasses, but was very broadminded and compliant. He did not object to the provisions of the contract but very obligingly helped the parties to draw their terms in legal form.

Mr. Arsenault: Was the province of Quebec really a signatory of the British North America Act?

Mr. Poulin: The years went by. The parties to the treaty got used, more or less, to the yoke they had submitted to, of their own free will.

In 1907, a matter was brought up which reopened the discussion on the nature of the political constitution of Canada. A provision was being introduced to increase federal grants to the provinces.

What were the views expressed by the statesmen of that time? I shall give only two quotations from many that have been gathered.

In the Debates of 1906-1907, page 2199, Sir Wilfrid Laurier said during a discussion on legislation providing for an increase in the grants to the provinces:

> Confederation is a compact, made originally by four provinces, but adhered to by all the nine provinces which joined the union.

And on the same page, Sir Robert Borden is reported as saying:

> I agree with what has been said by the right hon. gentlemen regarding the undesirability of lightly amending the terms of our constitution—although of course all the provinces are represented here. But inasmuch as it is a federal compact which we are asked to vary . . .

Then more recently, in 1925, a full debate took place in this house on a resolution quite similar to the one before us now.

Let us review briefly what was said then by our statesmen, by our great party leaders who, after all, were as able as we are to appreciate events which were closer to them by some twenty-five years.

I wish to quote from page 332 of the *Hansard* of February 19, 1925, where the Right Hon. Mackenzie King stated the following:

> Due regard should be had to the view that a compact was made at the time of confederation, and that an amendment of the importance that such an amendment certainly would have, ought only to be proposed after there had been a conference and agreement between the dominion and the provinces.

According to page 335 of *Hansard* of February 19, 1925, the Right Hon. Arthur Meighen said:

> Undoubtedly, the pact of confederation is a contract and there are rights involved therein not represented by the parliament of Canada . . . The speech of the Minister of Justice determines, I think, without power of dispute, that there should never be suggestion of amendment affecting other parties to the contract save after conference and consent of those other parties.

I shall now quote the opinion of the hon. Senator Thomas Vien, who must enjoy much consideration since he has been so well rewarded. Here is what he had to say on February 19, 1925, as recorded on page 310 of *Hansard* for that year:

> I fully agree with the hon. Minister of Justice (Mr. Lapointe) that a pact which was entered into at a conference where all the component parts of what was then Canada were represented should not be lightly dealt with or amended, without a conference where the opinions of the representatives of all those provinces which now form part of the Dominion could be collected and fully considered.

And further on:

> Our country is one of the contracting parties and no one can have the contract altered, except with the unanimous consent of the contracting parties.

And at page 313:

> As in the case of a contract between private individuals, you cannot change the British North America Act without first convening a conference similar to that as a result of which the act originally came into being.

And the Hon. Ernest Lapointe expressed himself as follows, as reported in *Hansard* of February 18, 1925. I quote from page 298:

> Now, has it (the Canadian constitution) been considered as a treaty? I heard it suggested some time ago that this idea at confederation of a treaty is an antiquated idea. Maybe it is. But, Mr. Speaker, truth does not cease to be truth when it gets old; an old truth is always true. You cannot prevent facts from being facts whether you like them or not.

Mr. Lapointe went on to say:

> The British North America Act says itself that the Parliament of Great Britain merely enacted, put into a statute, the wish of the people of the provinces of Canada.

On that occasion, in 1925, there was scarcely an hon. member who did not agree in the house that confederation was a treaty.

And now, Mr. Speaker, all those opinions are worthless. We must forget all that. What was true yesterday no longer holds today. Everything has changed, everything has altered. Yet there are things that remain unchanged.

What has happened during the past twenty-five years to give a different aspect to historical facts?

Faced with the pressing needs of the second world war, we doubtless acquired the habit of compromising in a way we should never have countenanced in different circumstances.

It may be claimed that the theory of a constitutional compact has often been disregarded and, on such occasions, no objection was raised by the very people who are now protesting. In this respect, those whose duty it is to watch over the interests of the provinces are perhaps blameworthy, but the argument cannot justify anyone in perpetuating the evil done and still less in setting it up as a system.

I have the deepest respect for the Prime Minister. I think very highly of his personality and of the great office he fills with such distinction. On September 23, 1949, as reported at page 196 of *Hansard* of the same date, he stated the following in the house:

> The leader of the opposition says that whenever there has to be any kind of amendment whatsoever to any part of the constitution there should be consultation with the provinces. That is an opinion that is very frequently voiced, but it is one which we cannot accept. It would imply that the British North America Act is a contract . . .
>
> With that theory we are in diametric disagreement.

And yet, on February 18, 1925, another great Canadian, Right Hon. Ernest Lapointe, also a Quebec representative, made the following statement in the house, as reported in *Hansard:*

> If the British North America Act is the charter of the provinces as well as the charter of the dominion, I ask again, how can we alter it without communicating with the provinces? . . . Would it be fair to take upon ourselves the right of amending this legislation which is the constitution of the provinces as well as our own?

On page 301:

> They cannot be made arbitrarily; they cannot be made only at will and at the request of the dominion parliament; but those who are just as much interested as the dominion parliament in this matter must have their say, must be consulted and must give their assent.

And further on, on the same page:

> To those who want changes I would say that the only way to get them is the constitutional way to ask the consent of the various parties to confederation.

Mr. Speaker, since so many Canadians of sound judgment, so many experienced statesmen have always considered confederation to be a contract, let us at least give the contracting parties the opportunity to meet, to discuss, to try to agree in order that, unanimously, a new statute or a revised statute be introduced, in which, undoubtedly, the parties concerned will again have to accept some sacrifices, just as they did in 1867. It has been said that after this act was passed by the house, the provinces would be consulted and that, if a "satisfactory agreement" could be reached, an address would be presented to the parliament at Westminster.

It would be important to know, before this discussion ends, just what is meant by "satisfactory agreement".

Is it an agreement adopted unanimously by the provinces, such as that of 1867? If not, words and not powers will, in the future, form the bones of contention.

By satisfactory agreement do we mean exaggerated, even vexatious concessions, which the provinces will be practically compelled to accept, because, when faced with a *fait accompli,* they will be afraid to lose everything?

When referring to a *fait accompli,* I am obviously referring to the present act which will have been accepted by parliament and in which it will be nowhere specified that the unanimous consent of the provinces, or even of one of them, is required to amend our constitution.

I cannot believe for a moment, Mr. Speaker, that the prime motive of the movers of this resolution has been to have this legislation passed so that they might afterwards use it as a sword of Damocles at the provincial conference.

However, if such had been their objective, I believe they could congratulate themselves on having very well succeeded.

On the other hand, I know quite well that the cause which the hon. member for Chicoutimi (Mr. Gagnon) and I, along with many others in this house are upholding is a forlorn cause. In view of the huge majority the government has in this house, I do not make the mistake of thinking that our views will be accepted but when someone has decided to engage in a fight known to be hopeless, it is generally because he has also decided to hold fast to ideals which to him are sacred and immutable.

Granting this, Mr. Speaker, I now appeal to the Prime Minister's sincerity and good will, and I trust I shall not be deceived.

Far be it from me to think that the government and its leader want to sacrifice some of the inalienable rights which are granted to one or more groups, one or more provinces, in our beloved Canada. I believe we more likely differ on the procedure to follow in order to better ensure those rights.

Well, as the government will have the best of it, being in a position to make full use of the procedure it considers the most effective and which we deem dangerous, I would at least ask it to be careful, not to move too fast, mindful of the fact that the fathers of confederation took years and years to reconcile their minds towards an agreement.

I humbly suggest to the government, when the house has passed this legislation, to be very obliging, conciliating and patient with the representatives of the provinces who I understand are to be called to a conference. The government should give as much latitude as possible to the provinces, bearing in mind that the first Canadian constitution was drafted by the provinces, a historical fact that can never be gainsaid.

Mr. Speaker, I am not obstinate, I am not stubborn and if I could be useful to the government in its very difficult endeavour, I would offer my humble co-operation; but that, I know, is not necessary.

Let us not forget, Mr. Speaker, that the individuals pass away rapidly, that generations follow as quickly and that the task we are undertaking today for their sake will be appreciated according to the earnestness with which we settle down to it.

However, since I cannot approve of the procedure followed by the government, I shall have to vote against the resolution.

(Text):

Mr. J. G. Diefenbaker (Lake Centre): Mr. Speaker, it is all to the good that long and careful consideration should be given by

this house to the address that has been moved by the Prime Minister. It will only be through discussion and deliberation on the part of parliament that the nature of the procedure being requested by the government, and the arguments both for and against the adoption of that procedure, will be fully understood. I feel that one course that should be adopted in connection with the consideration of this address—if it indeed be a fact that what we are doing on this occasion will constitute a landmark in our constitutional set-up in this country or a milestone that we will look back upon over the years—is that the matter should be brought before a committee of the whole house. Such a move would enable the members of this house to secure information regarding the reasons leading up to the adoption of this plan, and the departure from the pledged word of the Prime Minister as given during the election campaign.

Even at this late hour in the discussion, I should like the Prime Minister to consider whether it would not be fitting and proper to have this matter discussed by a committee of the house so that we may obtain full information relative to the address as well as the answer to various questions, which will not be answered unless the house moves into committee. I am sure that hon. members in all parts of the house have waited for the answers to many questions that arise in their minds.

This debate has been conducted as one would expect a debate of its kind to be conducted in a deliberative assembly under a democracy. The address of the Prime Minister (Mr. St. Laurent) was a historical symposium and a record of the steps taken to effect amendments since confederation, while the speeches of the leader of the opposition (Mr. Drew), the leader of the C.C.F., and the leader of the Social Credit group indicated that, as we all do, they approach the consideration of this problem with the consciousness and pride of Canadians. That attitude is, I think, worthy of all those who have contributed to the debate.

I regret, Mr. Speaker, that you found it necessary under the rules of debate to declare that the amendment moved by the leader of the opposition could not be discussed by parliament nor be considered an amendment to the main address. In my opinion it deals with a matter that deserves to be voted upon by parliament. The constitution of our country is not the monopoly of the government of this day, with its overwhelming majority in both houses of parliament. It belongs to every one of us. The amendment moved by the leader of the opposition would have permitted a discussion by members of this house and a vote on the question whether or not there should be set up in this country a constitutional convention of representatives of the dominion and provincial governments to devise a method of amending within Canada the constitution of Canada, and of safeguarding minority rights so that such method might become the subject later of a humble address—

Mr. Speaker: Order. I ruled the amendment out of order.

Mr. Diefenbaker: Yes.

An hon. Member: You cannot read it.

Mr. Speaker: I doubt if the hon. member can now discuss it as an amendment.

Mr. Diefenbaker: I did not in any way suggest, Mr. Speaker, that it had not been ruled out of order. I was suggesting however that, if it had been in order within the rules, this parliament would have had an opportunity of voting on a matter that is of pre-eminent interest to the people of this country as a whole. I made it clear at the beginning that there was no suggestion that you could have done otherwise than you did, having regard to the rule you invoked. I take it that the hon. member for Bellechasse (Mr. Picard), with his close relationship to the previous minister of justice and his senior position in this house, must have been speaking for his party when he spoke of the necessity of the convening of such a national constitutional convention with a view to arriving at the means of amending our constitution. That statement was indeed interesting. By this procedure we are today laying the foundation in part for future amendments of this constitution.

We believe that the Prime Minister should have carried out the undertaking he gave when he spoke on the radio on May 19 last. At that time there was no circumscription which would in any way allow him to proceed in the manner in which he has proceeded in moving an address that provides only for parliament having the power to amend those things that are peculiarly within the federal jurisdiction.

I shall read his promise. If he and his party received a mandate, that mandate was with regard to something about which there never was any dispute, namely, that there is indeed need of amending the constitution in order to meet changed and changing conditions. No political party in this country, in the last fifteen years, has at any time enunciated a policy that denied the necessity for amendments to the British North America Act, subject of course to the protection of the rights of minorities, school rights and the like. But subject to those things, it has been agreed

that a means must be established of amending the constitution. I ask the Prime Minister, when he speaks, to answer one question. Where in this country did he say: If my party is returned to power, we will amend the constitution in a dual way; we will secure for parliament immediately the right to amend the federal portions of the constitution and then a little later on we will convene an assembly of dominion and provincial representatives with a view to arriving at a method of amending the constitution in its entirety. Here is the promise:

> We Liberals also believe that a method should be worked out to amend our constitution in Canada.
>
> That won't be easy.
>
> We do not want the Canadian constitution to be too rigid, but we do want to make sure it contains the fullest safeguards of provincial rights, of the use of the two official languages, and of those other historic rights which are the sacred trust of our national partnership.

And this is the undertaking:

> It is our intention, after the election, to consult the provincial governments with a view to working out a method, which will be satisfactory to all Canadians, of amending the constitution in Canada.

That, Mr. Speaker, was the undertaking given by the Prime Minister.

Mr. St. Laurent: Will the hon. member permit a question?

Mr. Diefenbaker: Certainly.

Mr. St. Laurent: Does the hon. member suggest that he is so naive as to have believed that that was an undertaking by the party of which I was the leader to renounce the right that has been exercised for the last eighty-two years in this house, to have amended without consultation with the provinces those parts of the constitution that do not affect the jurisdiction of the provinces?

Mr. Diefenbaker: The people of Canada must have been naive. The words of the Prime Minister (Mr. St. Laurent) are incapable of any other interpretation, naïveté or anything else to the contrary. The undertaking was given as well at Moncton. I could quote his exact words. He said that the government would seek provincial government co-operation in drafting ways and means of amending our constitution in Canada. He did not say that we would amend it piecemeal. He said "our constitution", not a part of our constitution, not a portion designated by the Prime Minister and those associated with him, but our constitution, which meant, and could only be understood to mean, the constitution of Canada without division. Some of us would like to know when the change came about and the reason for it.

There is no question whatsoever that there is almost unanimous opinion in this country as to the need of amendment. There has never been any question about that over the years. In 1925 the then prime minister of this country spoke of the need of amendment. The then minister of justice, Mr. Lapointe, spoke of the need of amendment. At that time Mr. Meighen spoke of the need of amendment. All of these men also stated the grave and difficult problems that would face any government that endeavoured to secure a general principle upon which amendment could be based.

There is no question that there is agreement in parliament and throughout the country as to the necessity of the protection of constitutional rights inherent in the constitution. There is no question that we wish to bring our constitution up to date in order to meet those changed and changing conditions which have occurred since 1867. May I go back beyond that and quote the words of Lord Brougham which indicate that he had a perception of the need of constitutional reform. He used these words:

> Constitutions must grow if they are to be of any value; they have roots, they ripen, they endure. Those that are fashioned resemble painted sticks planted in the ground—they strike no root, bear no fruit, swiftly decay and ere long perish.

There is no argument about the necessity of amendment, but I think that, not in a party sense, not in a political sense but in a national sense, each of us in this parliament and in the country should do what the fathers of confederation did. They joined together. Many of them were personal enemies but they joined together for the purpose of achieving confederation. I feel that through a national constitutional convention we would be able to secure that measure of agreement, that measure of unanimity based on our pride as Canadians that would achieve a permanent and complete amendment of our constitution.

Before I go on I wish to refer to the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles). What a strange amendment it is! He believes that parliament should have the right to make the necessary amendments to the constitution in so far as the federal authority is concerned. In effect he says: "Give us that power". At the same time through this amendment he asks the British parliament to diminish the power of this parliament to do that which he says is so necessary to take a step in the direction of an amendment of our constitution. What a position this parliament will be in, going to Westminster and saying that we demand the power to amend our own constitution within the federal ambit of authority, then adding four lines at the end declaring that we do not want the power in so far as

section 20 of the British North America Act is concerned. We want to ensure that the parliament of Canada will never deny a session every year and an election every five years.

Mr. Knowles: Does the hon. member not agree?

Mr. Diefenbaker: I agree with the necessity of such things being embodied in our constitution by precedent, but I do not agree that if we go to Westminster and ask for power we should at the same time say that we are afraid to trust ourselves in the years to come. As a matter of fact, by that amendment my hon. friend indicates that while he asks for that much he is afraid that if too much power is exercised by this parliament democracy is indeed in danger by reason of the amendment that he says he supports.

Mr. MacInnis: Will the hon. member permit a question? Will he say that the same condition applies to the English and French languages?

Mr. Diefenbaker: I must answer that question. I shall come to the question of compact, to which the hon. member for Iles-de-la-Madeleine (Mr. Cannon) referred. He said that there is no compact. In 1925 the then prime minister, Mr. Mackenzie King, called it a compact. In 1925 in the same debate Mr. Meighen referred to it as a compact. As far as constitutional rights are concerned, we in this party have always taken the stand that they are inviolable and are part and parcel of the basis upon which confederation was built.

On motion of Mr. Diefenbaker the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. St. Laurent: Wednesday is private members' day.

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

HOUSE OF COMMONS

Wednesday, October 19, 1949

The house met at three o'clock.

COMBINES INVESTIGATION ACT

INCREASE IN PRICES OF CRUDE OIL, GASOLINE AND FUEL OIL

Hon. Hugues Lapointe (Solicitor General): Mr. Speaker, I wish to table a copy of the letter of the Minister of Justice (Mr. Garson) to the Attorney General of Saskatchewan in answer to the latter's request for an investigation into the prices of crude oil and gas, requested yesterday by the hon. member for Assiniboia (Mr. Argue).

ORDERS IN COUNCIL

TABLING OF SUMMARY—OCTOBER 1, 1948, TO JUNE 30, 1949

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, pursuant to an undertaking given at the last session of parliament at the request of the hon. member for Lake Centre (Mr. Diefenbaker), I wish to table a summary of orders in council for the period October 1, 1948 to June 30, 1949. These orders total 11,461, of which 6,589 are treasury board minutes. The summary runs to 423 pages, and, as can be appreciated, its compilation has taken a considerable amount of the time of the staff of the privy council office.

The hon. member asked that in tabling the summary it be indicated opposite each of the orders which ones had been tabled or gazetted and which ones had not. This has been done. The government is naturally anxious to meet the wishes of the hon. member and of the house, but it has occurred to us that the information which the hon. member is really seeking has reference to orders in council that are not treasury board minutes, because treasury board minutes are purely administrative in character.

When the undertaking was given, I had not appreciated the amount of work involved; but, having given the undertaking, I felt it should be carried out in the exact terms in which it was given. It would greatly expedite the work of providing this information in future if it were understood that the summary would refer only to orders other than treasury board minutes, and that it would not be necessary to indicate whether the orders have been tabled or gazetted. In this way I think the house would have the information in which it is interested, and the summary could be prepared and tabled much more expeditiously and would be more useful to members of the house.

I might add that I have looked up what the hon. member for Danforth (Mr. Harris) said on this subject on April 25, 1949, and the proposal I have made would appear to meet his wishes and facilitate the bringing down of these summaries in a much shorter time after the passing of the orders. If it is satisfactory to the house to have that done the next summaries will be so prepared. If, after the summaries have been tabled, hon. members feel that they are not getting sufficient information, the matter can be brought up again. We wish to provide hon. members with any information they may regard as helpful to them in considering the matters with which they are concerned.

Mr. Diefenbaker: What the Prime Minister has said as to the course that he has in mind entirely covers the situation so far as I am concerned. I do not think anyone has any interest in the treasury board minutes. The purpose is to have a summary of the orders in council tabled.

SUGGESTION AS TO COMMITTEE ON MINISTERIAL POWERS

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I wish to bring to the attention of the Prime Minister a suggestion I made on September 22 last in reference to the setting up in this house of a committee on ministerial powers. The Prime Minister, in tabling the summaries of orders in council, has gone a long way toward meeting the desires of parliament, and it is in that spirit that I now ask him whether, having regard to the trend, which I mentioned on that occasion, toward delegated authority, consideration might be given to the setting up of such a committee as I have suggested.

Right Hon. L. S. St. Laurent (Prime Minister): The hon. member was kind enough to let me know in advance that he intended to refer to the suggestion he made in his speech on the address on September 22, and it has been given some consideration. I do not think the government would be prepared to recommend the setting up of such a committee at the present session of parliament, but I do feel that the suggestion has merit.

The hon. member pointed out that such a committee had been set up in the parliament at Westminster. All I would care to say at this time is that between now and next session the government is prepared to give careful consideration to the operation of that committee in the House of Commons of the United Kingdom, and, in the light of its operation and of such other considerations as may seem relevant, to indicate at an early stage in the session of 1950 whether we would be prepared to support the establishment of a similar committee in Canada.

Mr. Diefenbaker: I thank the Prime Minister.

Mr. Church: How many of these orders in council ever reached the Supreme Court of Canada, may I ask?

Mr. St. Laurent: To answer that question might require a further considerable amount of work in the privy council office. Having tabled the summary of the orders, I think I will have to leave it to the hon. member himself to see them and select those he thinks have reached or should reach the Supreme Court of Canada.

Mr. Church: A return to the house indicated that there were 160,000 orders, and only two ever reached the Supreme Court of Canada.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

ORDERS IN COUNCIL PASSED SINCE MARCH 1, 1949

Mr. Diefenbaker:

1. How many orders in council have been issued or passed since March 1, 1949?
2. Of these, how many have been (a) published in the *Canada Gazette;* (b) tabled in the house?

Mr. St. Laurent:

1. Between March 1, 1949, and October 18, 1949, inclusive, there were passed 9,802 orders in council, of which 5,519 were minutes of the treasury board.

2. Of these, (a) 264 have been published in the *Canada Gazette*; (b) 79 have been tabled in the house.

INCOME TAX AND SUCCESSION DUTIES—PROVINCE OF QUEBEC

Mr. Gagnon:

What was the amount paid to the federal government by (a) individuals; (b) companies, corporations, partnerships, etc., of the province of Quebec, in (1) income taxes; (2) succession duties, during the last fiscal year?

Mr. McCann: Collections by the taxation division in the province of Quebec for the fiscal year 1948-49 were as follows: Individual income tax, $200,834,119; Corporation income and excess profits tax, $149,611,161; Succession duties, $5,405,580; Other collections, $17,663,335; Total collections in fiscal year, 1948-49, $373,514,195.

GANDER AIRPORT

Mr. Higgins:

1. What are the landing fees at Gander airport, Newfoundland?
2. Have the landing fees been changed since March 31, 1949?
3. Are such fees to be increased?

Mr. Chevrier:

1. Transatlantic flights: When all-up weight does not exceed 5,000 pounds, the landing fee is $7.50 and $1.50 for each additional 1,000 pounds thereafter, up to and including 10,999 pounds.

When all-up weight does not exceed 11,000 pounds, the landing fee is $18.75 and $3.75 for each additional 1,000 pounds thereafter, up to and including 24,999 pounds.

When all-up weight does not exceed 25,000 pounds, the landing fee is $60 and $7.50 for each additional 1,000 pounds thereafter, up to and including 109,999 pounds.

When all-up weight does not exceed 110,000 pounds, the landing fee is $150 and $15 for each additional 10,000 pounds thereafter.

Domestic flights: For scheduled and non-scheduled commercially registered aircraft, commercially registered aircraft engaged on test (newly constructed aircraft undergoing initial flight tests shall be deemed to come within this category), survey, ferry or other noncommercial flights, and visiting aircraft privately registered with licensed gross take-off weights over 5,000 pounds, the landing fee shall be computed according to the table given below, the rates being applied to the whole of the licensed gross take-off weight, including fractions of 1,000 pounds, if any. The fee shall be computed to the nearest five cents.

Up to but not over 15,000 lbs., licensed gross take-off weight 10c per 1,000 lbs.

Over 15,000 lbs. and not over 30,000 lbs., licensed gross take-off weight 12½c per 1,000 lbs.

Over 30,000 lbs. and not over 45,000 lbs., licensed gross take-off weight 15c per 1,000 lbs.

Over 45,000 lbs. and not over 75,000 lbs., licensed gross take-off weight 20c per 1,000 lbs.

Over 75,000 lbs., licensed gross take-off weight 25c per 1,000 lbs.

Flying clubs: For aircraft owned and operated by an approved Canadian flying club based at the airport, the rates shall be thirty cents per hour flown by club aircraft; provided, however, that, in the case of a continuous flight in excess of two hours' duration

when the aircraft is in charge of a licensed pilot not under instruction, no charge shall be made unless the aircraft weighs 5,000 lbs. or more.

Commercial flying schools: For aircraft owned and operated by a commercial flying school based at the airport, the rates shall be thirty cents per hour flown by school aircraft.

Private aircraft: For privately registered aircraft based at the airport, with licensed gross take-off weight over 5,000 pounds, the rates shall be one-half of the rates shown in paragraph one above.

Air line training schools: For aircraft belonging to a bona fide training school of a licensed air line and engaged in the training of aircrew personnel of the air line, the landing fees shall be the subject of negotiation between the air line and the Department of Transport.

Exemptions: There shall be exempt from landing fees:

(1) State aircraft as defined in air regulations, part 1, section 2, except such aircraft as are employed in commercial air services.

(2) Noncommercial aircraft of foreign governments.

(3) Visiting aircraft owned and operated by flying clubs.

(4) Visiting aircraft, not over 5,000 pounds licensed gross take-off weight, owned and operated by commercial flying schools.

(5) Privately registered aircraft not over 5,000 pounds licensed gross take-off weight.

(6) Aircraft in distress executing forced or precautionary landings.

(7) Such other aircraft as the minister may direct.

2. Yes, domestic flights.

3. Landing fees at departmental airports are continuously under review.

EMPLOYMENT OF PERSONS OVER FORTY YEARS OF AGE

Mr. Knowles:

1. Has the government received representations asking that inquiry be made into ways and means of preventing and combating discrimination against persons over 40 years of age when seeking employment?

2. If so, has consideration been given to such representations, and is anything being done about the matter at the present time?

Mr. Mitchell:

1. Yes.

2. Yes. The situation is summarized hereunder:

The Department of Labour has had this problem under study since late in world war II, at which time it was anticipated that in the transition from war to peace older workers might be faced with discrimination. In the post-war years the Department of Labour and the national employment service, aided by local, regional, and national employment advisory committees, have kept in close touch with the problem.

Instructions contained in employment circular No. 172 of July 18, 1949, reads in part as follows:

7. Officers doing employer relations work should at all times endeavour to impress upon employers that there are applicants for employment in the older-age group who are well qualified to perform various tasks. They should endeavour to see that age limits are omitted wherever possible and that older-aged workers are considered for employment if they are really capable of such employment. When an older worker appears to be the best qualified for an employer's order, except that he is older than the stipulated age, the officer should diplomatically approach the employer concerned with a view to arranging an interview for the applicant. The whole approach should be that older-aged workers will only be referred when they can perform the particular task as well as, if not better than, the younger workers. It should be emphasized that older workers have mature skills, experience and stability. The program must be an educational one, based on the fact that where older workers can be used they should be used, and not based on an appeal to the sympathy of the employer.

Publicity is carried out by means of newspaper releases, special articles, radio talks, films and personal contacts with employers. In this publicity an attempt is being made to impress employers, not only as to the economic necessity of providing employment to a group which constitutes approximately one-third of our total working population, but also as to the advantages to be gained by the full use of the experience and skills of the worker past forty.

Co-operation is maintained by the Department of Labour with the Department of Veterans Affairs in a campaign for the employment of older veterans. This co-operation extends to the corps of commissionaires. Recruiting for the corps is done to a large extent by the national employment service.

The problem is kept under consideration by the national advisory committee and regional and local committees of the unemployment insurance commission, and a subcommittee on the older worker problem has been established for the sole purpose of ascertaining the best methods of dealing with the situation. Meetings with businessmen in various cities have been held with a view to widening co-operation.

In December, 1947, a counselling service for applicants for employment over forty-five years of age was set up in Toronto by the national employment service on an experimental basis. From this experiment much valuable information has been made available for counselling at other local offices.

An important factor in the program has been the efforts of officers in local employment offices. These officials, fully aware of

the situation, are, in their day-to-day contacts, placing older workers wherever possible. Their contacts with employers prove a means of acquainting industrialists with the seriousness of the problem.

FEDERAL TAXES—PROVINCE OF QUEBEC

Mr. Gagnon:

What was the amount of taxes received by the federal government from individuals, companies, corporations, partnerships, etc., of the province of Quebec, during each of the years from 1939 to 1948?

Mr. McCann:

Total collections of taxation division in the province of Quebec, by fiscal years, were as follows:

1939	$ 39,073,779
1940	38,660,072
1941	77,768,432
1942	200,522,959
1943	434,742,868
1944	492,710,468
1945	442,982,576
1946	414,059,164
1947	412,119,383
1948	383,967,886

ROYAL COMMISSION ON COAL

Mr. Hodgson:

What action has the government taken in connection with the recommendation of the royal commission appointed to investigate the Canadian coal industry (Carroll) relating to mechanization of the Nova Scotia coal industry?

Mr. McIlraith: Consideration is being given to legislation relating to the subject matter of this question.

QUESTION PASSED AS ORDER FOR RETURN

NAVAL PERSONNEL—TRANSFERS BETWEEN RIVERS, MAN., AND DARTMOUTH, N.S.

Mr. Wright:

1. Were any naval personnel transferred from the Canadian joint training centre station at Rivers, Manitoba, to Dartmouth, Nova Scotia, at any time since August 1, 1949? If so, on what date or dates and how many were involved in such transfer?

2. Were any naval personnel transferred from Dartmouth to Rivers subsequent to the transfer east noted above? If so, on what date or dates and how many were involved in such transfer?

3. Were any of the personnel transferred east, as noted above, the same personnel as those transferred west, as noted above? If so, how many were thus transferred both ways?

Mr. Blanchette: Return tabled.

ACCIDENTAL DEATHS

HIGHWAYS, LEVEL CROSSINGS, DROWNINGS, FIRES—SUGGESTED CO-OPERATION TO CURTAIL LOSS OF LIFE

Mr. T. L. Church (Broadview) moved:

That, in the opinion of this house, in view of the deplorable loss of life in Canada from accidents on the highways and at level crossings, drownings, fires and other causes, the government should seek the co-operation of the provinces, municipalities and organizations throughout Canada in acquainting our people with this appalling toll and seek to find means of curtailing same.

Mr. Speaker: It occurs to me that this motion does not merely express an abstract opinion, and that its adoption would necessarily involve the expenditure of money. A few days ago—see *Hansard* of this session, page 578—I gave a ruling on a similar motion by the hon. member for Vancouver East (Mr. MacInnis), and I believe this motion would be out of order on the same grounds as the one moved previously. Accordingly I must rule the motion out of order.

Mr. Church: I rise to a point of order. I call attention to the fact that this motion involves no expenditure of money whatever, it simply calls for expression of opinion on the part of this house. It does not deal with the same subject matter as the bill I introduced some weeks ago. With all due respect, Mr. Speaker, I fail to see why the motion is not in order. As I say, there is no expenditure of money involved. It is simply an effort to help the unfortunate people who may be involved in these accidents. It will not cost the country one dollar to have this motion discussed in the house.

Mr. Speaker: I would not contradict the statement of the hon. member that it will not cost anything to discuss the motion here, but if it were carried, the government would be bound to comply with its terms, and it would therefore be in the nature of a direct order. It would necessarily involve an expenditure of money, and for that reason I must rule the motion out of order.

Mr. Church: With great respect, Mr. Speaker, I appeal from your ruling.

Mr. Speaker put the question as follows: The hon. member for Broadview (Mr. Church), seconded by the hon. member for Royal (Mr. Brooks), moved a resolution standing under notice of motion No. 9, which reads as follows:

That, in the opinion of this house, in view of the deplorable loss of life in Canada from accidents on the highways and at level crossings, drownings, fires and other causes, the government should seek the co-operation of the provinces, municipalities and organizations throughout Canada in acquainting our people with this appalling toll and seek to find means of curtailing same.

I ruled that in my view this resolution does not express an abstract opinion. I further ruled that if it carried the government would be bound to comply with its terms, and therefore it is in the nature of a direct order, which order could not be carried out without the expenditure of public money. On these grounds I ruled the motion out

of order. From this ruling the hon. member for Broadview (Mr. Church) and others have appealed.

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

YEAS

Messrs:

Abbott
Anderson
Applewhaite
Argue
Arsenault
Ashbourne
Bater
Beaudoin
Belzile
Bennett
Black (Chateauguay-Huntingdon-Laprairie)
Blanchette
Blue
Boisvert
Boivin
Boucher
Bourget
Bradette
Breithaupt
Brown (Essex West)
Bruneau
Bryce
Byrne
Cameron
Campney
Cannon
Carter
Cavers
Claxton
Cloutier
Coldwell
Corry
Cote (St. Johns-Iberville-Napierville)
Cote (Matapedia-Matane)
Croll
Darroch
Dechene
Demers
Denis
Dewar
Dion
Douglas
Dumas
Elderkin
Eyre
Fauteux
Follwell
Fontaine
Garland
Gauthier (Lake St. John)
Gauthier (Sudbury)
Gauthier (Lapointe)
Gauthier (Portneuf)
Gillis
Gingras
Goode
Gosselin
Gour (Russell)
Gourd (Chapleau)
Gregg
Harris (Grey-Bruce)
Harrison
Hartt
Healy
Hellyer
Helme
Henderson
Henry
Herridge
Hetland
Hosking
Howe
Huffman
Hunter
James
Jeffery
Jones
Kent
Kirk (Antigonish-Guysborough)
Kirk (Digby-Yarmouth)
Knight
Knowles
Lafontaine
Laing
Langlois (Berthier-Maskinonge)
Langlois (Gaspe)
Lapalme
Lapointe
Larson
Leger
Lesage
Macdonald (Edmonton East)
MacDougall
MacInnis
MacKenzie
MacLean (Cape Breton North and Victoria)
MacNaught
Macnaughton
McCann
McCulloch
McIlraith
McIvor
McLean (Huron-Perth)
McWilliam
Major
Maltais
Matthews
Mitchell
Murray (Oxford)
Murray (Cariboo)
Mutch
Nixon
Noseworthy
Picard
Pouliot
Prudham
Ratelle
Richard (Gloucester)
Richard (Ottawa East)
Riley
Roberge
Robertson
Rooney
St. Laurent
Sinnott
Smith (Queens-Shelburne)
Smith (Moose Mountain)
Stewart (Yorkton)
Stewart (Winnipeg North)
Stick
Stuart (Charlotte)
Thatcher
Thomson
Tremblay
Viau
Ward
Warren
Weaver
Weir
Whiteside
Wright—141.

NAYS

Messrs:

Adamson
Aylesworth
Balcer
Beyerstein
Black (Cumberland)
Blackmore
Blair
Brooks
Browne (St. John's West)
Cardiff
Casselman
Catherwood
Charlton
Church
Courtemanche
Coyle
Cruickshank
Diefenbaker
Drew
Fleming
Fraser
Fulford
Fulton
Gagnon
Gibson (Comox-Alberni)
Green
Harkness
Harris (Danforth)
Higgins
Hodgson
Homuth
Lennard
Low
McGregor
McLure
Murphy
Poulin
Quelch
Robinson
Rowe
Shaw
Smith (Calgary West)
Thomas
Tustin
Wylie—45.

Mr. Johnston: I was paired with the hon. member for Halton (Mr. Cleaver), Mr. Speaker. Had I voted, I would have voted against your ruling.

EDUCATION

EQUALIZING OF OPPORTUNITY—FINANCIAL ASSISTANCE TO PROVINCES

Mr. R. R. Knight (Saskatoon) moved:

That, in the opinion of this house, the government should take into consideration means of expanding and equalizing educational opportunity across Canada, by the granting of financial assistance to the various provinces for that purpose.

Mr. Smith (Calgary West): On a point of order, Mr. Speaker, I suggest to you that this motion is out of order for the identical reason that you gave in respect to the motion of the hon. member for Broadview (Mr. Church).

Mr. Knowles: Mr. Speaker, with reference to the point of order raised by the hon. member for Calgary West (Mr. Smith), before you give a decision, may I point out that there is a striking difference between the resolution that was just ruled out of order and the one now moved by the hon. member for Saskatoon (Mr. Knight). The difference is that the motion now before the house asks that the government take a certain matter into consideration. In his motion the hon. member for Broadview did not ask that something be taken into consideration. He said that such-and-such should be done.

Furthermore, may I draw your attention, sir, to the fact that on May 1, 1946, a motion

similar to the one which has now been moved was presented to this house by the then member for Dauphin, Mr. Zaplitny. It appears on page 1090 of *Hansard* for May 1, 1946. I ask hon. members to notice how similar it is to the one that is now being moved. It reads as follows:

That, in the opinion of this house, the government should take into consideration ways and means of equalizing educational opportunity across this dominion and granting financial assistance to the various provinces for this purpose.

That motion was accepted as being in order and it was debated on that occasion, namely, on May 1, 1946. I submit that this established a precedent which makes this motion also in order.

Mr. Speaker: The hon. member for Calgary West has raised a point of order as to whether the motion moved by the hon. member for Saskatoon is in order. The hon. member for Calgary West says that it is out of order for the same reason that I ruled the motion of the hon. member for Broadview out of order. It seems to me that there is a difference in these two motions. The motion that I ruled out of order, if carried, would be a direct order from this house which the government of necessity would be required to put into effect, and would require the expenditure of money. The motion now moved by the hon. member for Saskatoon, if carried, would not be a direct order from this house which the government would be required to put into effect. It would merely require the government to take the matter under consideration. I think there is a difference, and I must rule that the motion of the hon. member for Saskatoon is in order.

Mr. Knight: I shall begin by thanking you, Mr. Speaker, for your ruling in regard to this motion.

I may say at the outset, sir, that I did not think it was within the realm of possibility that I should be called upon to debate this motion today, because it was preceded by the motions of many other hon. members. But it is a subject about which I know something, and I do not have to make too much reference to notes. In addition I happen to have in my desk some data which I can use in connection with the subject. Furthermore, it is a subject which in my opinion is of such vital importance that I cannot ignore the opportunity to say what I have to say about it, in case that opportunity should not again present itself this session.

I do not think, sir, that I need spend too much time in this enlightened body in discussing the need for education. Interesting debates have taken place lately in this house, one of them upon certain undesirable influences for which education was advanced as a possible remedy. Education is now fundamental to our civilization, as we know it; it is fundamental to the preservation of our democratic system, and perhaps to our very existence. Certainly it is necessary for national prosperity in these days when other countries, as well as our own, are becoming enlightened through education. It is one of the vital needs for national unity, for national security and indeed, as I have said before, for our very existence.

Advanced countries have reached the conclusion that education is the birthright of every child. There is, however, a divergence of opinion as to just how much of the education of a child should be at the expense of the community. There are other tendencies which might be noted, the first being the tendency to increased expenditures in almost every civilized country for educational purposes. There is a tendency toward raising the level of the age at which the child may leave school, and a tendency to give the same opportunity to every child in the matter of education, irrespective of that child's race or creed, the financial circumstances of his parents, or, for that matter, his geographical position.

What I hope to say today is predicated upon the principle of social justice that every child should have as his birthright in Canada a measure of education. This, as it were, puts a floor under a child's training, a certain minimum to which every child should be entitled, by law. One must admit that there is inequality in this regard. One finds a wide divergence in educational opportunity as one travels across Canada. I shall not weary the house by placing on record many statistics; the matter has been debated before in the house and it is one with which I believe most hon. members are familiar.

A bulletin issued in 1945 by the dominion bureau of statistics shows some startling inequalities as between province and province and as between rural and urban municipalities. There are inequalities even as between district and district of the same type, some of which I shall choose at random. Perhaps a fair measuring stick would be the amount of salary received by teachers in these respective communities. We find that in 1945 teachers in Prince Edward Island received an average salary of $633, whereas teachers in British Columbia received $1,552, about two and one-half times as much. Surely there should not be this great discrepancy. In 1943 the average salary of city teachers in Canada was $1,784, while that of rural teachers was $852, or in the proportion of about two to one. I believe conditions in the maritimes in this regard are worse than in other parts of this country. Dr. Argue's

report shows that while one province was spending $31 per child for educational purposes, another was spending $83. At the same time, of the teachers employed in these provinces, in one instance only two per cent had university degrees as against 31 per cent in the other instance.

Speaking in another debate, but in respect of a related subject, I said that in a time of war education is the first casualty. Let me prove that statement by pointing out that in 1945 there were 4,550 people teaching—and I do not call them teachers, because they did not hold teaching qualifications. They did their work by virtue of a temporary certificate, following the issue of what is known as a permit.

I am reviewing this subject from the point of view of social justice rather than from that of the teacher. I have in mind the interests of the children concerned—the children who will one day become the men and women who may have to shoulder the responsibility of running the affairs of this nation. I would urge therefore that this be not considered as a political matter; and in this I am hoping to have the support of the new members who have come to the House of Commons from Saskatchewan, a province which is well enlightened in this regard.

Let us look at Canada from the point of view of the inequality which exists in connection with the educational careers of children. We are told that thousands do not complete their public school training, and more thousands do not finish their high school grades. The number who attain university degrees is small indeed. One learns from the census that 668,000 people over five years of age are totally illiterate. In 1941, the last year for which I have the figures, only 85,000 living citizens had university degrees, while at the other end of the scale there were 360,000 people between the ages of six and sixteen—and this will be recognized as about the public school age—who were not at school at all. What freedom, what opportunity are those people to have in this land where we boast of our freedom and of our opportunity?

Mr. Goode: Will the hon. member permit a question?

Mr. Knight: I would ask the hon. member to wait until I have finished.

Canada is the only part of the British commonwealth in which the central treasury does not provide to the extent of at least fifty per cent for the education of the children. Universities are passing through critical times. They are trying to adjust themselves after the work of the last few years when great numbers of veteran students passed through their halls. I believe the universities should be given some assistance. In passing may I say that the educational aid given to veterans by the federal government proved to be eminently successful, and upon this I should like to congratulate the government.

I have here an article from the Saskatoon *Star-Phoenix* which, under the heading of "Federal Aid", states:

> One lesson which can be drawn from the record of achievement of D.V.A. reviewed on this page recently is the possibility of federal aid to education. One hundred and thirty thousand veterans have received technical and university training. The training of these men and women to take their places as successful citizens is a sound investment for our country. The experience of D.V.A. could now be drawn on to develop a permanent plan whereby all our young people could be given educational opportunities in keeping with their natural ability and ambition.

Endorsation of this proposal comes from all parts of Canada, and I am glad to say it is in increasing and not decreasing volume. Almost all public bodies that have sufficient connection with education to make a study of it have the same opinion. Here is a Canadian Press dispatch, dated the 14th of October at Winnipeg, giving the view of the Canadian Legion. It reads:

> Winnipeg, Oct. 14.—A plea for federal aid for education from elementary school to university level was made Thursday by the Canadian Legion. In a brief to the royal commission on arts, letters and sciences the Legion urged adoption of a plan patterned after the federal public health scheme now in effect. "If it can be done for public health there is no reason why it can't work with education," said Lieutenant-Colonel Wilfrid Bovey, of Montreal, honorary counsellor of education for the Legion, in presenting the brief.

May I point out to hon. members that the Legion represent a great and important body of public opinion in Canada. I am glad that they have gone on record in endorsation of the resolution which I have now presented to the house.

As to the way in which federal aid might be extended, I might read some of the details set out in the article. It continues:

> The Legion endorsed fully earlier submissions made by the national council of Canadian universities, and Major General E. L. M. Burns, assistant deputy minister of the Department of Veterans Affairs, at the commission's Ottawa sittings in August. The universities then outlined their critical need for funds and recommended direct government grants and establishment of government scholarships and fellowships in all faculties. Major General Burns' brief urged the setting up of a government scheme of university scholarships, which eventually would grant scholarships in all faculties to 1,000 young Canadians a year.

In dealing with the opinions of public bodies, I need hardly mention the opinion of the Canadian Teachers Federation, because it has been quoted often in the house and elsewhere, and is well known. As to whether

or not the teachers federation is representative, let me say that there are about 60,000 members of the organization scattered throughout the country. Hon. members from Newfoundland can tell you that there are 2,200 teachers in that province, about half of whom are now voluntary members of the Canadian organization, and at the moment they are negotiating a professional act by which they will become statutory members of the Canadian Teachers Federation. This particular body, of course, has presented briefs upon occasion to the federal government. I believe the last one was in February, 1949; it contained a resolution passed at their Ottawa convention. I should like to quote a few words from the resolution. It was resolved—

—that each provincial teachers' organization be requested to discuss federal aid with its minister of education, and that every effort be made to gain the support of the provincial governments in the appeal to the federal government for financial assistance for provincially controlled education.

There is little to say so far as teachers are concerned, because for years they have been strongly of this opinion.

I should now like to refer to what I might call lay bodies which are interested in education. The first one about which I have a note is the Canadian Education Association, with which there used to be embodied the Newfoundland Education Association. It is a lay body interested in education. It met in Fredericton, New Brunswick, from the 12th to the 15th of September, 1949, and heard prominent educationists express views as to federal aid. One of them, a man who is becoming nationally known in matters of education, was Dr. Althouse, president of the Canadian Education Association. Another one was Dr. A. W. Trueman, president of the university of New Brunswick. I should like to read the following extract from a news letter of the Canadian Teachers Federation:

Dr. A. W. Trueman, president of the university of New Brunswick, speaking to the C.E.A. convention stated that in his opinion equality of educational opportunity in all the provinces cannot be secured without considerable federal aid.

I shall not read the rest of the paragraph. That is the gist of the matter. Speaking of federal aid, Dr. Althouse, president of the Canadian Education Association, in his address to the Canadian Teachers Federation convention, used the expression, "straws in a wind of increasing volume and velocity". He used those words in regard to the fact that federal funds have been available in the realm of higher education for bursaries and scholarships to encourage and to maintain research.

[Mr. Knight.]

I have suggested that the resolution should be a non-political matter, and a matter with which lay bodies in Canada should be concerned. Then there is the Canadian School Trustees Association. I suppose a good many of us have been trustees of either little rural schools or town schools. Trustees are men from all walks of life, men of all political opinions, men of all creeds. They are not grinding an axe for the teaching profession. They are interested solely in one thing, the welfare of the children of Canada, and, through them, the welfare of the nation. I should like to read a resolution passed by the Canadian School Trustees Association which held its convention in Fredericton from September 10 to September 12, 1949. May I mention in passing that I am proud that a lady from my own city, Mrs. W. Walker, of Saskatoon, presided over their proceedings. The resolution is interesting; it reads as follows:

Whereas various educational bodies in all provinces are concerned with the present inequality of educational opportunity throughout the nation, and whereas present sources of finances are insufficient;

Therefore be it resolved that we ask the federal government to give grants in aid in order that the provinces may be able to provide equality of educational opportunity.

I believe that members of all political parties are interested in this matter. I have another quotation that I should like to read. It is taken from an address made in the house by the hon. member for Rosetown-Biggar (Mr. Coldwell) on September 19, and reads:

Now that the matter of Canada's right to amend her constitution has arisen, and we believe that the constitutional rights and privileges of the provinces must be recognized and protected—

Perhaps I am answering the question my hon. friend wished to ask.

—we believe that ways and means must be found by agreement to assist the provinces in improving other public facilities, particularly those having to do with education. A modern system of education involves large expenditures in plant and equipment, but of the most vital importance is the type of person engaged in the teaching profession. As I have good reason to know, unfortunately many of our most able, most gifted and best fitted young men and women either leave the profession or do not enter it because of the lack of opportunities and remuneration it offers. The limited financial resources of some of the provinces, and the communities comprising them, simply cannot cope with this situation. In the discussions with the provinces I should hope that some consideration would be given to the problem of providing federal aid for education in all its branches, without restricting the rights of the provinces in that regard.

I think I have shown without fear of contradiction that a great body of public opinion across this country is in favour of that which I am advocating here today; but

something must be done to educate a small and, I think, decreasing minority who have set themselves against federal aid in this connection, largely because of a lack of understanding. It is unfortunate that it should be always easy in this house to befog an appeal to reason by an appeal to emotion; and I have discovered that there is no more successful method of befogging an issue than to bring in something in regard to the autonomy of the provinces. Apparently in this country there is a minority who cannot discuss that question without letting past history enter into the argument. Somehow there seems to be a great fear and a great lack of trust on the part of one group with respect to another group. If we are ever to be a nation, if we are ever to have this national unity that we are forever talking about, we must learn to trust our people. Every time this matter has been brought up in the house some well-intentioned but misinformed hon. member has always regarded it as a deep, dark conspiracy by means of which someone, presumably the federal government, is somehow seeking to get control of the educational policy of a province or some provinces. Nothing could be further from my own intentions as sponsor of this resolution. The idea is simply that we would like a floor placed under education; that we want the federal government to guarantee to every child born in Canada, of whatever race, nationality or religion, a certain minimum education.

There is only one control that would be necessary by the federal government, as far as I can see, in granting—and note the words that follow—assistance to the provinces to get on with their own type of education. That control would be to see that money voted for the purpose of education was spent for that purpose and not used for the construction of roads or something of that kind. I want to direct the attention of hon. members to an address delivered by Mr. P. J. Kennedy on Education and Catholic Leadership, a copy of which came to my desk just recently. I wish hon. members would read this with some care. It is printed and distributed by Ottawa council 485 of the Knights of Columbus, educational committee, and presumably the address was delivered to that organization. Here is what Mr. Kennedy had to say; it is not very different from what I have said, except that perhaps he was more eloquent:

> I purpose to devote the major part of my remarks to the question of federal aid to education. In so doing I am not unmindful of the substantial contributions now made by the provinces and the municipalities and especially of the increased assistance given by our own department of education in recent years. Nevertheless, as a Canadian it is my duty to look upon education from the national point of view. Consequently, I favour federal aid to education as the best, if not the only means of effectively eliminating the glaring inequalities in educational opportunity which now exist among the provinces. I am convinced that unless such aid is given tens of thousands of children in Canada will continue to be denied that level of educational opportunity which is demanded for the development of their potentialities and for the progress of the nation. In addition, I accept the view that the federal government has power under the constitution to make grants for general education in the same way as it has been making them during recent decades for vocational and other types of education.

Before I broke off my general remarks to read that quotation I was referring to the arguments which no doubt will be advanced again, as they have been advanced before, against my suggestion to the effect that somehow or other the acceptance of money from the federal government would involve some interference in the policy and the content of provincial education. The gentlemen who advance that argument are the same gentlemen who had their hands out during the distribution of federal funds under what is generally called the family allowance. After all, is that not a form of federal aid to education? Is not that money supposed to be used for the good of the children in the family? Any parents who have the good of their children at heart certainly will see that education is not the sphere in which those children are deficient.

I have mentioned that one grant. What about the other grants that have been made by the federal government over the course of the years to aid education? There was an act in 1919 granting federal aid to technical education. Has that interfered with provincial autonomy? Has that interfered with the rights of anyone in regard to religion, language or anything else? What about the Vocational Education Act of 1931, under which there was a grant of $750,000 a year for fifteen years to be allotted among the provinces on the basis of population? Has that interfered in any way with provincial rights? What about the Youth Training Act of 1939 and the Vocational Training Co-ordination Act of 1942? Last but not least, what about the great scheme under the Department of Veterans Affairs, which has contributed so enormously to the general enlightenment of the people of this country?

Those are just some of the items. In its brief presented to the federal government in February, 1949, the teachers' federation goes into that argument. Let us see what they have to say on the matter. There are one or two pages of it from which I should like to make brief quotations:

> Federal aid for education is a need born of a shift in taxation. Meeting this need may involve fiscal control safeguards in the spending of funds from the federal treasury—but not policy control.

In other words, there would be no interference with the curriculum, but merely a means of ensuring that those funds, if turned over to the provinces for the purpose of education, would be used solely for that purpose.

The brief continues:

> In any plan of federal assistance, it would be understood and agreed that the expenditure of funds by the government of Canada would in no way be deemed to confer upon any minister or official of the government of Canada any right of supervision or control—

That seems to be definite enough.

> —over any school or educational institution with respect to which any federal government funds are expended.

I believe that is equally clear.

I continue to quote from the brief:

> The Canadian Teachers' Federation has never deviated from its stand that complete control of administration, supervision, teaching personnel, the curricula, methods and material of instruction, must remain with the provinces.

Why any educational authorities in any province should be so zealous in refusing money by which they could promote and encourage their own particular educational programs, I fail to understand. I can only put it down to a lack of understanding of this matter on their part.

I would urge once again that the government of this country see to it that this country does not lag behind the other civilized countries of the world in this particular matter. I believe, sir, I shall leave it at that.

Mr. Donald M. Fleming (Eglinton): Mr. Speaker, the resolution under debate provides that—

> —in the opinion of this house, the government should take into consideration means of expanding and equalizing educational opportunity across Canada, by the granting of financial assistance to the various provinces for that purpose.

I regard this as a subject of very great importance. So that I may be careful to avoid all possible pitfalls or any possible misunderstanding as to the extent to which I do advocate federal assistance in the field of education, I wish to make it abundantly clear in everything I have to say that I believe that the autonomy of the provinces in respect to education must be scrupulously observed. Great harm will be done, even approaching this subject with good intentions, unless we put beyond the realm of argument or contest the complete autonomy of the provinces and their exclusive control over the subject of education as applied to the content, curriculum and structure of the educational system.

Section 93 of the British North America Act leaves no room for doubt upon this subject. In part, it provides that:

> In and for each province the legislature may exclusively make laws in relation to education, subject and according to the following provisions:—

The following provisions, Mr. Speaker, concern the things put beyond the reach of the provinces, such as certain of the guarantees given to separate and religious schools prior to confederation. Subject to that well-established exception, the provinces have been given complete and exclusive jurisdiction over education by the British North America Act.

Now, sir, the motion puts emphasis upon the necessity for equalizing opportunity. I am in complete agreement with that aim. I could not be more wholly in agreement with any subject than with the desirability of equalizing opportunity in Canada for all Canadian children—in this case just as far as education can effect that worthy purpose. I approach this subject with due regard to the great importance of education in Canada. One of the factors which has been of the greatest assistance to Canadians in making the great strides which Canada has made in the world in the past several generations has been the high quality and standard of Canadian education. I do not think, sir, that any Canadian needs to have anything but a feeling of intense pride as he surveys the quality and standard of education in this country.

Every one of us is a debtor to the educational system of his province. I am sure everyone in this house would be only too happy to recognize the value that educational opportunity has played in his life. At the same time, sir, everyone knows quite well from his own experience that there have been others, with talents which could have been developed with the assistance of higher education, who have not enjoyed the full opportunity of developing their talents because they were denied the opportunity of pursuing their education. I believe most of us can look back in our experience and recall many bright youths or young women who have been denied the opportunity to develop their talents fully because, for some reason or other—usually a lack of means—they were unable to carry their educational courses into the fields of higher education.

It is unfortunate that education is costly. Education is becoming increasingly costly, and that is one of the factors with which we must reckon. On the one hand, the provinces enjoy exclusive jurisdiction over education and, at the same time, bear exclusive responsibility for education. On the other hand, they have been ground between the upper and nether stones, with limited sources of revenue out of which to meet this heavy

responsibility they are called upon to bear under our constitutional division of jurisdictional powers as between dominion and provincial spheres. As a matter of fact, education has become so costly in recent years that it may fairly be said that it has been going through something of a crisis.

I see this problem expressed in two forms; one in terms of inequality of educational opportunity as between Canadians in different provinces and the other in terms of the inequalities of opportunity as between individuals. Obviously, there is a limit to the extent to which the dominion may properly participate in meeting the cost of education. I affirm, sir, however, that there is no doubt that for some time there has been a general need throughout Canada for greatly increased participation by the dominion government in meeting the burden of the still rising cost of education in Canada. For dominion assistance in this field there is already abundant precedent and, I think in all cases, wholesome precedent. I shall mention some of these just briefly.

In the first place, in the field of technical education in times past, not always consistently throughout the years, but at least for the past generation, in most years there have been federal grants to assist technical education in the provinces.

In the second place, a beneficial and far-reaching dominion-provincial youth training plan has been carried out as a joint enterprise between the provinces on the one hand and the dominion on the other, operating through the Department of Labour. Since 1937 literally hundreds of thousands of young Canadians have enjoyed the benefit of training through the assistance of that co-operative plan.

In the third place, one thinks of course of the outstanding success that has been achieved in the training of veterans since the war as a result of this co-operation between the dominion government and the provincial departments of education. I consider it a triumph of co-operation. It shows what can be accomplished in this country when the governments in the two spheres, dominion and provincial, meet a problem in a spirit of co-operation. The number of veterans assisted through this beneficial plan is 130,000.

In the fourth place, in order to emphasize the fact that too narrow a view of education should not be taken, I cite the dominion assistance to another scheme carried out in co-operation with the provinces under the provisions of the National Physical Fitness Act.

As a fifth example, I mention a useful means by which the dominion has given assistance, through the Department of National Health and Welfare, to our schools of social work in Canada. These grants, distributed throughout the various schools of social work operating in conjunction with universities right across Canada for several years past, have been most helpful. The contributions have been timely. When the estimates of the Department of National Health and Welfare are under consideration in this house at a later date this session, I hope that hon. members generally will not only commend the provision made for assisting schools of social work but will also urge an increase in those grants. Increased assistance is greatly needed by the schools of social work attached to the various Canadian universities.

There is another project which I am satisfied will be a precedent—it should have been a precedent before this—and that is the establishment of a national library.

Mention has already been made, and I do not need to retrace the ground covered by the hon. member who introduced this resolution, of the study given to this problem by teachers and by the various organizations representing school trustees and boards of education.

Some will say that such bodies approach a problem of this kind with a certain interest. I do not think their representations, which have been frequent, should receive any the less consideration on that account. After all, teachers and those who are daily coping with the problems of meeting the cost of education are entitled to be heard on a subject of this kind. It is an incontestable fact, Mr. Speaker, that as between the various provinces of this confederation, the educational opportunities are not equal. The provisions made for school teachers' salaries in the various provinces are sorely lacking in equality. There are places in Canada where the school teachers are carrying on with simply miserable pittances. I speak with some feeling on this subject. My father was a school teacher and I know something of the problems in connection with school teachers' salaries. They have been notoriously low in this country from the beginning. At the same time I concede that noteworthy advances have been made, particularly in some provinces, in more recent times.

I should like to say to this house that my leader, in the five and a half years during which he was premier of the province of Ontario, at the same time held the important portfolio of education; and in the period of his administration of the Department of Education more was done to advance the educational system of the province of Ontario and more was done to raise the level of

school teachers' salaries to a more reasonable height than had been done in the previous seventy-five years. I think that is a record upon which all the people of Ontario, regardless of party, will always commend my leader.

There cannot be any question about the power of the dominion to make contributions. The present Minister of National Defence (Mr. Claxton), in a public debate on this subject in Montreal in 1945, held under the auspices of an educational association, used these words:

> But the constitution does not prevent the federal government from giving substantial assistance to education. Direct assistance might be given in different ways.

Having regard to the needs prevailing in Canada, Mr. Speaker, I think the time has come when steps must be taken to give effect to the fact stated in that passage by the present Minister of National Defence.

Assistance should be given through the provinces. That is necessary and is urgently required. At the same time I hope that through the form of scholarships it may be possible to extend greatly assistance to worthy students in pursuing their education into higher fields, students who have proven their merit and their willingness to work but who, by reason of lack of means, do not have available to them today the opportunity of pursuing their educational careers.

About a year and a half ago I had the privilege of sitting in the gallery of the United States senate and listening to a debate on this very question. A bill introduced by Senator Taft was before the senate at that time; under it federal funds were proposed for the assistance of educational opportunity. A small minority who were in opposition of course raised the cry: Oh, but you are going to interfere with the exclusive jurisdiction of the states over education. But that view did not prevail. In the opinion of the majority of the United States senate, it was a view without foundation. If I thought for one minute, Mr. Speaker, that federal grants through the provinces, under agreements entered into with them, would be, or would be suspected to be, any interference with the autonomy of the provinces in the matter of the content of education, I would not be speaking as I am today in support of this proposal. But I believe that federal grants can be made available without interfering with the autonomy of the provinces, provided that this matter is pursued through agreement between the dominion and the provinces. This is one more reason why a general dominion-provincial conference ought to be reconvened at the earliest opportunity. Here is a need existing in Canada today, a pressing need, a need which I submit to you, sir, the dominion, with its ample sources of revenue and its ample budget surpluses in these days, dare not ignore, a need that can be met if the dominion will seek to provide financial assistance without interference with the autonomy of the provinces.

Sir, it is for these reasons that the party of which I am proud to be a member has pressed insistently for the reconvening of the dominion-provincial conference in order that agreement may be reached on this subject as upon other subjects of urgent importance, and that fruitful co-operation between the dominion and the provinces may result in great benefit to many Canadians. That is why also the party of which I am proud to be a member has advocated federal grants on the basis of fiscal need for the assistance of the provinces in relation to such provincial matters as education, health and welfare.

(Translation):

Mr. Pierre Gauthier (Portneuf): Mr. Speaker, as I have not had, so far, an opportunity of addressing you while you were in the chair, you will no doubt permit me to congratulate you on the manner in which you are guiding the discussions of this house. We are all glad that you have been raised to that high position and we have absolutely no doubt as to the ability with which you will fulfil your duties, irrespective of the political affiliations of those who sit here.

The motion now before us is identical—in fact the wording is exactly the same—to the one which was moved by a former member of this house to whom the fortunes of election were not favourable. I refer to Mr. Zaplitny, former member for Dauphin.

I recall that on that occasion Mr. Zaplitny had made a very eloquent speech, giving reasons—which we think it is necessary to repeat at this time—why not only the provinces but the different organizations having to do with the education of both the young and the older people, should be asked to grant all the necessary aid. We should incite fathers and mothers to keep on giving to their children, or rather to their children's education, all the attention called for by their enlightened patriotism. Evidently education is necessary. Everyone should be educated to a certain extent, provided naturally that those who wish to benefit from the advantages of education possess the means of getting educated.

It often happens—and this is even more true in the province of Quebec where many families are indeed very large—that the tenth, eleventh or twelfth child has not the means to enter college or to complete his education according to his parents' wishes.

There are many reasons for this but I shall not give them all. Firstly, the parents have a large family to support and their income is not sufficient to give all the children a satisfactory education. However, in my province under agricultural programs which were drafted and carried out when I was a member of the legislature, it was often possible to add somewhat to the education of our farmers' sons. I am quite sure that very often tables submitted by various organizations at their conventions are not exhaustive. They could be supplemented by statistics from dominion agricultural training schools, experimental farms, and agricultural schools like those we have at Deschambault and at Ste. Martine where a short course is provided for. Statistics from schools of higher learning in agriculture could also be added. Perhaps the tables read into *Hansard* by the former member for Dauphin did not take into account the secondary school agricultural education—if I may use that term—given farmers' sons.

Parents, organizations and governments, everyone, in fact, appreciates the value and importance of studies that complete the training children receive at home.

In my opinion—and it is my first impression—the resolution, should it carry, might well encroach to a certain extent upon provincial rights. I come from the province of Quebec and respect the government to which the people have entrusted the administration of the province; however, I am of the opinion that before passing this resolution, the federal government and the members of this house should obtain the approval, co-operation and agreement of the provincial government. I am not saying that I doubt whether the present Quebec government would co-operate. Yet, judging from what has been done in the past, I am inclined to believe that we would not obtain its entire co-operation, which would be essential to grant the provinces the financial aid mentioned in the motion submitted by the hon. member for Saskatoon (Mr. Knight), and to equalize educational opportunities across Canada.

I remember that during the recent dominion and provincial election campaigns, and during consideration of national health and welfare estimates in the house, I drew the attention of the house to one aspect of the National Physical Fitness Act passed by the dominion government in 1944. At the beginning of last April, only two provincial governments had still not agreed to seek the benefits of this federal legislation. During that month, perhaps following changes made in the dominion regulations or among who administer the act, the Ontario government agreed to co-operate in implementing this legislation. I remember the statement of the then premier of Ontario, who had replaced the present Progressive Conservative leader in the house. With the support of figures, which I have not before me, he outlined the advantages which the implementation of this act would make available to community centres. In my own constituency of Portneuf, as in the majority of Quebec constituencies, we had understood the meaning of this act, we had anticipated that, after this act had been approved by my province, we could obtain grants that might be allocated for the construction of what we call recreational and educational centres. The construction of these centres is controlled under the physical fitness act.

I make no effort to conceal that I may have used, during the elections, rather scathing expressions to describe the provincial government. I am not in the habit of using stinging words, but I wanted to make things clear. I was asking the people of my constituency and the provincial government to contribute to the enforcement of this act, which I believe is absolutely necessary and which would allow various parish and other organizations in my constituency and in the other constituencies to receive substantial grants that would make it possible to build recreational and educational centres. Everyone is aware, of course, that such centres can include bowling alleys, pool tables, a library and various pieces of gymnasium equipment for our young people.

My friend the hon. member for Beauce (Mr. Poulin) is looking this way. He is doubtless thinking of the axiom *mens sana in corpore sano,* we are taught in medical school. Events have shown, however, that it is not always so. Those who have read history and the account of the wars waged by the Grand Condé will remember that he was defeated by the army of Count Fontaine while the latter, stricken with paralysis, was rooted to his chair while directing his troops. An axiom is therefore not always true, but there must needs be an exception to confirm the general rule.

In any case, I am convinced from personal experience, that physical fitness centres would be a great asset not only to the youth of our cities but more particularly to the young people of our rural communities.

If in the past we were right up to a certain point, we are even more justified in deploring the present situation and in complaining about the desertion of rural areas. Statistics are there to prove it. Perhaps we are somewhat to blame for not having known how to

keep our young people on the farm, how to interest them more and more in matters pertaining to rural life.

I will now quote words which were spoken in the Quebec legislature and in my presence by a former provincial secretary, the Hon. Athanase David:

"Too often, when giving an example in arithmetic, we mention city buildings having ten, fifteen or twenty storeys, and so many rooms per storey. How many rooms in the building? Instead we should give our children an example of a fruit tree bearing apples, the very sight of which makes the mouth water, and say: 'There are so many branches on this tree, so many apples on each branch. How many apples are there on the whole tree'?"

The attention of our young men has not been sufficiently drawn to rural problems. We have not directed our youth towards rural life, nor have we shaped its mentality accordingly.

You, Mr. Speaker, and a number of others who are listening to me now and who, born in the country, now live in cities, know that rural life is not without charm; however, you also know why so many young men wish to come to the cities.

In any case, we are not discussing farm desertion but education, and I believe that if the provincial government would but accept the physical fitness act, we could co-operate with that government and make adequate grants, but especially more of them.

If my recollection is good, the federal quota fixed by the council established under the physical fitness act is $120,000 a year. Let Quebec province match this amount and the total would reach $240,000 per annum. In ten years, the sum thus paid out would run up to a fairly large figure and could be spread throughout the province. Subsequently an understanding could be reached leaving the administration of these grants to the provincial government so as not to infringe upon provincial autonomy.

These two grants, put together, would enable us to set up these recreational and educational centres which would go a long way towards attracting and holding our young people on the farm.

Therefore I believe that the Quebec government should reconsider its refusal to apply that act. Something must be wrong, because all the other provinces have put it into operation.

When I listen to our hon. friends to the left speaking on this famous question of provincial autonomy, I am led to believe that the representatives of the province of Ontario are as much in favour of autonomy as the representatives of the province of Quebec. I notice the hon. member for Three Rivers (Mr. Balcer) smiling his approval. Since the province of Ontario has accepted, provincial autonomy is therefore not in jeopardy because of this act. So I have no doubt that my hon. friend and colleague, the member for Three Rivers, will want this act to be accepted by the province of Quebec, so that we may receive some of those substantial grants.

I have no doubt that, being convinced beforehand as he is, he would be a most efficient spokesman in an interview with the prime minister of the province of Quebec. I personally would hesitate to make such a request, as I have had occasion to feel that I did not have the necessary political complexion to achieve success, and I would confidently entrust such steps to the hon. member for Three Rivers.

However it may be, I am sure that if the prime minister of the province of Quebec, or rather his government, would reconsider their decision, we could obtain those grants.

I believe that discussions like the one prompted by the motion introduced by the hon. member for Saskatoon (Mr. Knight), even though we are wont to call them academic or full-dress debates, are absolutely necessary. It is worthwhile to have such discussions from time to time. It allows us to burrow more fully into big books which would otherwise remain unopened. They are such good friends, and I believe they have a right to complain that our attention is rather directed somewhere else. I congratulate the hon. member for Saskatoon for having brought up this discussion.

You know, Mr. Speaker, there is no minister of education in my province, to look after these matters. We have a provincial secretary, and he is the one entrusted with the task of upholding in the legislature all bills on education.

There is however a superintendent of education who takes instructions from the council of education, which, I feel, is a very good way to manage education in my province. I am not in favour of a department of education, as I would like the administration of education to remain as it is at present. I have confidence in the council of education, in the superintendent of education and in the provincial secretary, and I know the government, generally, wishes to adopt the legislation I mentioned a few moments ago.

During the course of five years, if I may say so, we have lost a considerable amount in grants which we could have used to build educational and recreational centres.

I am not at all convinced, Mr. Speaker, that the government of my province would have recognized and accepted the necessity of co-operating in the implementation of the act.

The hon. member for Saskatoon, I believe, stated that there is no danger of encroaching upon the rights or autonomy of the provinces, because after the war the dominion government inaugurated what is known as vocational training. I do not believe that the same principle applies as far as the army regulations implemented by the Department of Veterans Affairs are concerned. One cannot assert that there is no danger of encroaching upon provincial rights, since the federal government has already made grants for vocational training following the war. That assistance arose from the need of training men who had volunteered for service overseas and risked their lives, especially those who attended seminaries, classical and commercial colleges or universities. In all fairness to those who had spent five years of their lives overseas in the fighting forces, it was imperative to find a way of helping them carry on with their classical and business studies or with their special training. Since this was an emergency, I do not think that we infringed upon the rights of the provinces. If, however, provincial autonomy is encroached upon in this instance, I believe that agreement could be reached after consultation with the only province that has not approved the legislation mentioned earlier, just as we came to an understanding in matters such as old age pensions.

This is not the first time that a member has, in this house, urged federal grants for the education of our young people. During the dominion and provincial election campaign, every candidate spoke about a specific piece of legislation.

Many have stated that the law had really been drafted by the provincial government. Others, not quite so bold, did so in quieter tones. There is no better set-up than that of family allowances and it is the government which I support which gave us that act.

The Family Allowances Act was approved without any encroachment upon provincial rights. Passed by the Liberal government of Canada, it is of great help in the education of our children. If I remember rightly, and if my understanding of the act is fairly correct, children who receive family allowance benefits must attend school until they are sixteen. This proves that in addition to giving mothers the means to clothe their children and to give them, when they often go barefoot in the snow, unmindful of the danger of respiratory diseases, the necessary medicine and medical care, the government has provided mothers with better means to buy those things which are necessary for their children.

This legislation will also help mothers to send children to school, when they reach the age of five or six. At this early age, they already attend the rural school or, in the city, kindergarten. Family allowances help the mothers to provide better clothing for their children; their little darlings are just as well dressed as the rest of the small fry. They will take legitimate motherly pride in the fact that their children are as well dressed as their little friends. In their hearts they will thank the government that so kindly thought of helping them to keep their children in school until the age of sixteen, and to provide them with educational opportunities which will fit them for further study in business and classical colleges, if they so desire, where they will be trained to become professional or business men and even, as everyone has the right to hope, representatives in the House of Commons.

That is why we are now discussing this motion which deals with the education of our children. As my hon. friend from Gaspé (Mr. Langlois) points out to me, we now have a foundation; we have a plan called the youth training program, which is implemented through the co-operation of the dominion and provincial governments. That program has been accepted by my province, which has received the grants given for the building of commercial and technical schools. That evidences a desirable and beneficial co-operation between the provincial and dominion governments, in the best interests of the people.

Mr. Speaker, I would like to speak at greater length, but I feel that others intend to speak. However, I would again ask the Minister of Finance (Mr. Abbott) to grant tax exemptions to those who have

children in secondary schools or in universities. I am not unaware, though, that this request has also been made by the hon. member for Montmagny-L'Islet (Mr. Lesage), as also by every member in the house.

It is not perhaps entirely up to the children to continue their studies, but I understand that some find it possible, whenever the opportunity arises, to earn a few dollars during their holidays. Because tuition fees are high, in many cases the father's income does not allow him to provide for a son or daughter in high school or college. The father is sometimes not in a position to see his child through.

So, if he were permitted to deduct a certain amount and thus to enjoy an exemption, I believe that would be, on the part of the dominion government, another step, on top of many others already taken in the interests of our young people's education. I hope my appeal will be heard this time. Nevertheless I do hope the Minister of Finance will kindly grant a more substantial exemption to heads of families, so that they may give their children a university education.

(Text):

Mr. George A. Drew (Leader of the Opposition): I wish to deal with some points that have been raised in connection with this motion, and also with the purpose of the motion itself, which seeks to place before the government for consideration recommendations which I personally have had occasion to make, both in my official capacity while minister of education, and publicly since that time in the position I now hold.

There can be no doubt about the fact that the ability of provincial governments to finance education in a way that will give real equality of opportunity to children growing up in their own provinces is one of the most important considerations of our combined system of government within the Canadian federation. I have advocated that for some time; I advocate it now. This resolution, however, only deals with part of a much broader problem though, even so, I intend to support the motion. I would point out that the amount required by any province to give adequate educational opportunities within that province under its own educational system can be determined only when it is also known what actually is the over-all financial position of the province. For that reason I have stressed, both in this chamber and elsewhere, the urgent necessity of calling a dominion-provincial conference to consider the whole relationship between the dominion and provincial governments so the financial requirements of the provincial governments for all purposes may be fully considered and the amount required to provide adequate educational opportunities may therefore be determined with some knowledge of what is required by each province for that particular purpose.

The hon. member for Portneuf (Mr. Gauthier) has spoken of the necessity and desirability of co-operation between the dominion and provincial governments. He mentioned one particular and very limited subject which has been considered by the departments of education of the various provinces, a relatively small item in comparison with the general over-all problem; but he has not mentioned certain of the much wider subjects already being dealt with by agreement between the dominion government and the province of Quebec, as well as the province of Ontario and the other provinces of Canada. Mention was made by the mover of this resolution of the remarkable results obtained in the education of veterans following the last war, and in the rehabilitation instruction that was given under agreement between the dominion and provincial governments. Scores of thousands of young men and women received a remarkable education under new plans of education which in themselves have been extremely helpful to the departments of all provinces, because new methods were used which have produced very satisfactory results. In those cases plans were worked out satisfactorily and in complete harmony between the dominion and provincial governments. Very considerable sums of money were spent by the provincial departments of education, which were received from the dominion government under agreements which left the whole setting up and administration of the educational system entirely under the direction of the provincial departments once the general plan had been settled. That worked out extremely well. Certain aspects of that program are still being carried forward; and if evidence were required of the possibility of effective co-operation between the dominion and provincial governments—all provincial governments—it can be found in the success of that plan. Nor is that the only case

in which there has been effective co-operation of this kind. In certain apprenticeship training and similar matters there has been extremely good co-operation, and this has been going on for many years.

I would point out that the important consideration is that the assistance given from the dominion treasury should not be used as an indirect control over the educational systems within the provinces. I mention this only because the point has been raised by the member for Portneuf (Mr. Gauthier). I can speak only for the Department of Education of the province of Ontario, but the reason that department did not accept the relatively small amount offered by the dominion government for a physical fitness program for some time was that there was a direct attempt to exercise control over that program in the schools of the province. Again being in a position to speak with regard to this matter only for the province of Ontario, because of my official contact with the problem, I may say that the Ontario government did avail itself of this relatively small amount when the attempt to exercise that control was discontinued. I can say most definitely from my own experience that the fact the attempt was made in this case to exercise control by an indirect method is an indication that, in providing for grants of this kind, there must be a definite understanding that the independence and discretion of the provincial departments of education will be retained, no matter what the amount of the grants may be.

Just to keep this in proportion, in view of the fact that it has been placed on the record, I should like to point out that the physical fitness grant which was offered by the dominion government to the province of Ontario while I was minister of education amounted to $74,000 a year. The Department of Education of that province is spending several million dollars a year on its physical fitness program.

Mr. Gauthier (Portneuf): I never denied that.

Mr. Drew: I am not suggesting the hon. member for Portneuf did. I am only pointing out that the amount is not one which bears very much relationship to the over-all problem. The Department of Education for the province of Ontario is spending approximately $50 million a year on education so that, while $74,000 is an important amount of money, it is a comparatively small amount in relation to the total sum which is being spent by that province. The grants, which are on a basis proportionate to the other provinces, would bear a corresponding relationship to the general problem of education.

I mention that, not because I have any thought that the hon. member for Portneuf attempted in any way to misinterpret the situation, but because on certain occasions elsewhere there have been attempts to magnify this subject. Attempts have been made to create the impression that certain facilities were being denied because of the lack of co-operation. I say that not one single thing that could be done about physical education or community centres was withheld because that $74,000 was not available. The only reason that particular amount was not received at that time was that there were strings attached to it which would have given an indirect measure of control over certain matters that were the responsibility of the provincial Department of Education. I am very pleased to say that the restriction was removed, and because it was removed that amount is now being received.

May I also point out that the cost of education has mounted enormously during the past few years. Speaking from my personal experience in connection with education, and just to indicate the extent to which those costs have been increased, I should like to recall that, in the case of Ontario for example, the year before I assumed the office of minister of education the total contributed to school boards from the provincial treasury was $7,830,000. The amount now contributed is in excess of $35 million a year. This illustrates the growth of the expenditure on education within a comparatively few years.

Mr. Fauteux: This amount which the hon. member has mentioned is not solely for physical fitness?

Mr. Drew: Oh, no.

Mr. Fauteux: It is for general educational purposes?

Mr. Drew: While there are adequate physical fitness programs, I have departed from that subject. I am not suggesting for one moment that $35 million per year is being granted for physical fitness. What I said was that the year before I had responsibility for education in the province the grant to

school boards amounted to $7,830,000, and to indicate how educational costs have grown I said the grants for that purpose are now around $35 million. The over-all budget in that one province approximates $50 million. The increase in cost has been general throughout Canada. For that very reason the provinces must have added sources of revenue to maintain education and to give the opportunities that are becoming increasingly available through the advances that have taken place.

The mover of this resolution has referred to the work of the Canadian Educational Association and to the emphasis of that association on the need for greater financial support of education throughout Canada. The Canadian Education Association affords an excellent example of the way that matters of common concern to the provinces can be advanced by the co-operation of the different provinces. The experience of each province is pooled to the common advantage of every province in Canada. This education association is a semi-official body. The Department of Education of every province is represented and, almost invariably, the senior officials of the association are members of the various departments of education or leading educationists. This association does not attempt to lay down a uniform pattern for the whole of Canada, but the officials of the different provincial departments meet and explain what is being done by the various provincial departments to advance education in the provinces. Out of that exchange of experience, there has been a tremendous advance in educational standards throughout Canada and a general improvement in understanding how to deal with the problems of education.

One of the reasons that education is costing a great deal more money than it did a few years ago, and that it is bound to demand increasing expenditure, is the very real effort that is being made to raise the salaries of the teachers and to provide modern facilities for education in the most remote areas of the country as well as in the urban centres. In the past few years a great advance has been made in the type of schools that are being built. Not only are the modern schools using the advances made in construction, new methods of lighting and heating, and improved design, but they are also being built in order to make full use of the increased facilities for transportation which make it possible for schools to accommodate the pupils of much larger areas. In that way it is possible to bring into single schools, even in remote rural areas, a number of teachers who can have the advantage of their combined efforts. There is also the advantage of making it possible for teachers to specialize in different subjects and exchange information in the different classrooms.

There is, however, this important consideration which cannot be emphasized too often. Even if we built in Canada the finest schools that have ever been constructed anywhere, we would have done nothing to advance our educational standards unless those who are teaching in those schools are highly qualified to teach the children that come under their direction. For that reason, wherever the school may be and whatever type of school may be under consideration, the effort of all those concerned with the advancement of education in Canada should be to raise to a level that is in keeping with their responsibility the salaries of those to whom we are entrusting to a considerable extent the whole future of Canada.

This may be an obvious statement, but it is one which should be repeated over and over again. The standards of our national life in the years ahead will depend to a considerable degree not only upon the technical and academic standards of our education but more than on anything else upon the ethical standards of our education and the character that is implanted in our youth by the education that is given in our schools.

I am not forgetting for a moment that education does not begin in the schools. It starts in the home, at the mother's knee. Then the next stage of education is in the churches where it carries on. The broader phases of education are the responsibility of the schools of all types in every part of the country. The character and the spirit of our youth, the confidence of our youth in their own future, will depend upon the character of our teachers and also in great measure upon the spirit of the teachers and the feeling on their part that the value and importance of their work is being recognized by those who employ them.

One of the most remarkable things about the advancement of this country of ours is the unselfish spirit of service and sacrifice that has inspired our teachers at times when many of them must have felt the importance of their work not being fully recognized by those who engaged them. There have been improvements, however; in many places there have been great improvements. But having regard to the place that the education in our schools will take in the building of

our nation, I think it can properly be said that next to the church itself there is no higher calling to which men and women can devote their brains and their service than that of teaching the youth who will guide the destiny of Canada tomorrow and in the years ahead. In approaching this subject, therefore, and in considering the importance of giving to it the attention that it deserves, emphasis must be placed not only upon the necessity of meeting the physical and structural requirements of education but also upon the necessity of advancing the opportunities of the teachers themselves, of not only raising their salaries to levels that are in keeping with their responsibilities, but of also opening to our teachers even wider opportunities of continuing education in their own chosen profession.

There is great need for educational opportunities for teachers themselves, because education is advancing all the time in the facilities that are available and in the way in which it can be imparted to the children. Just in these last few years great strides have been taken in the use of moving pictures in the schools. This is a field in which an agency of the dominion government, the national film board, can be of great assistance, because there are almost infinite opportunities for advancing the education of our children in many lines through the impact of the visible impression upon their minds. Whether it be in such subjects as history, biology, or the practical subjects such as physics and chemistry, or whether it be in the cultural subjects such as music and art, the possibilities of the film are almost limitless. There is a field in which an agency of the dominion government can co-operate effectively in the work that is being done. But in mentioning that, it also needs to be emphasized as well that to give these facilities to all the schools a very considerable expense must be incurred in providing the equipment that will translate those films into actual educational opportunity in the schools themselves.

Then, also, great advances have been made in the opportunity for education by the radio. At the present time most, if not all, of the departments of education in Canada are making use of the radio within their own provinces for the purposes of carrying education into the classroom. There is another mechanical device which is not being used to the extent that it could be, but which is extremely useful, namely, the sound record. Now, with the development of modern records that will play for fifty minutes, whole courses of instruction can be given on particular subjects, and through this device the most highly trained educational experts available in the whole country can, with their own voices, give instructions in the subject in which they are so highly qualified, and in that way the most remote classroom, whether it be in the Arctic or in the remote northern coast lines on the Atlantic or on the Pacific, can have the advantage of personal contact with the greatest brains in this country, in a way that never before was regarded as possible.

These things are only the beginning. Perhaps at the moment television may be regarded as highly experimental, but past experience with new devices teaches us that this also will experience great advances in the years ahead. Each of these things, as it comes along, provides new opportunities to bring to our children the best training, the best standards of skill, the best qualifications, right into the classroom. It is no longer necessary for a single teacher, teaching all the classes in a single classroom, to try to teach the children to sing when that teacher was never gifted with a talent of song. Now, by bringing into the classroom by radio, by record or by the film, instruction in music, the greatest voices in the world can impress upon the children the quality of music and what it means to their own satisfaction.

The same is true of the things that are taking place from day to day. They can actually hear history as it is being made, and the great speeches at momentous times in the world's history can now be carried into the classrooms at the very moment they are being made, instead of being brought at some distant day in the form of the written word to leave its first impression upon the child's mind.

I have taken the time to review these things only to impress the fact that, along with these vastly increasing opportunities, will come vastly increased expenditures on the part of every school board in every part of Canada. For that very reason I believe it is important that the provincial departments of education be assured of that measure of financial support which is necessary to bring to reality the desire that I am sure is shared by every hon. member, that real equality of opportunity in education shall be extended to all Canadians, no matter where they live or what the material circumstances of their parents may be.

There is no single thing upon which money can be better spent than upon this great subject of education. There is another aspect. We are being called upon to provide increasing sums of money not so much for the health of our people as for their sickness and, in many cases, to deal with permanent and irreparable damage to the human system. The old Latin maxim *mens sana in corpore sano* is one which also carries the reverse

connotation; because while it is true that we usually find a healthy mind in a healthy body, we shall also be most likely to find a healthy body where a well-trained mind has given to the individual that measure of self-discipline that, having regard to the physical ability of any individual, will make it possible for him best to meet not only the general test of life, but the physical test as well. Many of the crippling accidents that are limiting and impairing the whole future of so many of our children today would never happen if our education were on a level where the self-respect, the self-discipline, the ethical standards of our youth imparted by education provided the greatest possible safeguard against some of these misfortunes.

At a time when we are seeing millions upon millions being spent for those whose minds are gone beyond repair, and when we see millions upon millions being spent upon those who are incurably disabled as a result of personal weaknesses, and accidents which were themselves the result of failure to apprehend obvious dangers, and at a time when we see the increasing burdens of sicknesses that could have been avoided—that is the time for us to recognize that education is not something only to teach people how to make a living and how to enjoy living; rather it is also something to equip people to meet the physical as well as the other tests of life.

Therefore while this resolution covers only part of the problem, I do believe it is one which merits the wholehearted support of every member in the house. Before closing these remarks however I would emphasize that it is essential that there be an examination of the whole field of dominion-provincial relations, so that the provincial requirements in respect of health, education, and all these other responsibilities, considered to be provincial responsibilities under our constitution, may be fully examined, and that we shall not deal with these things piecemeal but that we may place the provinces in a position of being able to meet the demands properly made upon them by the people who have chosen the provincial governments as their servants.

In any event it will be helpful to have emphasized the need for support in educational matters; and if this debate serves no other purpose at the moment, I hope it will help to emphasize that there is a high degree of unanimity within the House of Commons as to the desirability of assuring to every child in Canada, wherever they may live, or under whatever conditions, whether they have parents capable of taking care of them, or whether unhappily they may be orphaned and dependent upon others, that to the limit of our power we shall make the words "equality of opportunity" a reality, so that in the years ahead we may build a nation based upon character and upon educational understanding of the great opportunity it is to be a Canadian and to live in this land of ours.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, it would be impossible for me during the two or three minutes remaining before six o'clock to attempt to deal at all adequately with the resolution before the house. I am sure all hon. members have welcomed this opportunity of focusing their attention upon this assertion, one which certainly appeals to each and every one of us, that there should be across Canada the greatest possible degree of equality of opportunity for the education of our young Canadians, the Canadians of the next generation.

Whether or not the granting of financial assistance by the federal government to the various provinces could be arranged in such a manner as to avoid exercising any direct or indirect control over the field of education, which is essentially within provincial jurisdiction, is a question offering greater possibilities of controversy.

There is no doubt that every one of us, as a Canadian citizen, is vitally concerned with the necessity of there being maintained in this country adequate educational facilities to produce the kind of citizens who may be able to make the best possible use of the bountiful resources with which Providence has blessed our great country. And there can be no doubt that, since the cessation of hostilities, the program devised to provide educational facilities for veterans of war has been of great assistance in the maintenance of the efficiency of our educational institutions. I think many of us feel that, without the assistance it was possible to provide during that period, many of our institutions would have found it very difficult indeed to maintain their activities to the high degree which is so satisfactory to the Canadian public.

Personally I have no doubt that it will be necessary to find some way in which these institutions can continue to be supplied with that which is necessary to them to maintain that high standard in their educational activities. The leader of the opposition (Mr. Drew) referred in a most interesting manner to some of the facilities which modern developments in science and equipment make available now to promote education in our institutions of learning. Some of them are activities in which the federal government is engaged.

Hon. members know that, at the present time, there is a royal commission investigating the problem as to whether or not we are making the best possible use of the public moneys being expended for the promotion of the development of the aspect of national life in Canada which is not measured in statistical trade returns, or in dollars and cents, or pounds and shillings. Though the reference calls upon that body to confine its recommendations to matters which are within federal jurisdiction, it will be impossible for them to formulate such recommendations without looking at the whole picture throughout the Canadian nation, and without seeing the other activities under provincial jurisdiction which contribute to the same development. It will certainly be a matter of months before we can obtain a report from that commission, and I should think it would be wise not to attempt to determine with any degree of precision how the purposes can best be served until we have had that report.

It may be that there are other hon. members who would wish to participate in the discussion of this problem, and perhaps at this time the most convenient thing to do would be to adjourn the debate.

Mr. Knowles: No. On a point of order, would the Prime Minister just ask that it be called six o'clock, rather than move the adjournment of the debate. I have in mind the effect of standing order 27.

Mr. St. Laurent: Then if Your Honour would call it six o'clock, this debate would remain unfinished.

Mr. Knowles: Yes, and it will be first next time.

Mr. Church: It involves a change in the British North America Act, and would extend to all the civil service, including the police.

Mr. St. Laurent: I do not wish to engage in a discussion of the point at the moment. However, it being six o'clock, I suggest that further debate on the matter might take place at some other time.

Mr. Knowles: Next Wednesday.

Mr. Church: It could be done by a subvention, could it not?

BUSINESS OF THE HOUSE

Mr. St. Laurent: It being six o'clock I understand that the Speaker leaves the chair without question put. Tomorrow the first order of business will be the continuation of the debate on the resolution standing in my name with respect to amendment of the British North America Act. If that is disposed of we will proceed with second reading of Bill No. 12, to establish the Canadian Overseas Telecommunication Corporation; then Bill No. 62, respecting forest conservation. As has already been announced by the Minister of Finance (Mr. Abbott), whatever progress may be made on those measures, at eight o'clock he will reintroduce the budget resolutions. I assume that, in accordance with the usual practice, after his speech and some remarks by one of the hon. members of the opposition, the debate will be adjourned. If it is adjourned and the other matters have been disposed of, then estimates will be resumed.

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

HOUSE OF COMMONS

Thursday, October 20, 1949

The house met at three o'clock.

PANDIT JAWAHARLAL NEHRU

ARRANGEMENTS FOR ADDRESS TO MEMBERS OF BOTH HOUSES OF PARLIAMENT ON OCTOBER 24

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, as hon. members are aware, the Prime Minister of India, Pandit Nehru, will be in Ottawa during the early part of next week, and arrangements are being made to have this distinguished gentleman address the members of both houses of parliament in this chamber at three o'clock on Monday afternoon. Because of the proposed visit it will be necessary to delay the opening of the ordinary proceedings of the house until 4.30 o'clock on Monday; and if I have unanimous consent I should like to move:

That when this house adjourns tomorrow it stand adjourned until Monday next at 4.30 in the afternoon.

Once this motion is adopted, arrangements for this visit will be completed.

It would be appreciated if hon. members would arrange to be in their seats just before three o'clock on Monday. Seats are being arranged for members of the Senate on the floor of the house. His Honour the Speaker has directed the Sergeant-at-Arms to cancel all the ordinary sessional gallery tickets for this occasion, with the exception of tickets to the Senate and Speaker's galleries. Hon. members are being provided with special tickets to the galleries for their ladies. These tickets are being distributed to the whips today, and the arrangement suggested is that the ladies of members be admitted, before other ticket holders, between 2.30 and 2.35. Other ticket holders will be admitted to the galleries between 2.35 and 2.45, at which time the galleries will be opened to the general public.

If this arrangement appears to be satisfactory, it will be carried out.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

BUTTER—PURCHASE FROM OTHER COUNTRIES

Mr. Isnor:

1. Did the Canadian Commercial Corporation between April 1, 1948, and March 31, 1949, purchase butter from (a) Australia; (b) Denmark; (c) New Zealand?

2. If so, what amount of butter in (a) pounds; (b) dollar value, was purchased from each of these countries?

3. To whom was this butter sold?

4. What was the loss or gain in each case?

5. By what agency was the loss, if any, paid?

6. Through which ports did this butter enter Canada, and how much through each Canadian port?

7. Was any of this butter brought through United States ports of entry? If so, what ports, and in what quantity through each port?

Mr. McIlraith:

1. (a) Yes; (b) yes; (c) yes.

2.

	(a) Pounds
Australia	2,240,000
Denmark	11,200,000
New Zealand	2,240,000
	15,680,000

	(b) Dollar value
Australia	$ 1,580,343 93
Denmark	8,351,343 42
New Zealand	1,579,803 70
	$11,511,491 05

3. Creameries and packers in the maritimes, Quebec, Ontario and British Columbia as allocated by the wartime prices and trade board.

4.

	Loss
Australia	$ 74,478 00
Denmark	728,944 50
New Zealand	56,467 13
	$859,889 63

5. Commodity Prices Stabilization Corporation.

6.

Australia-Vancouver	2,240,000 lbs.
New Zealand-Halifax	2,240,000 lbs.
Denmark-Montreal	7,840,000 lbs.
Halifax, N.S.	1,120,000 lbs.
Saint John, N.B.	2,240,000 lbs.

7. No.

BELL TELEPHONE COMPANY—APPLICATIONS FOR RATE INCREASE

Mr. Fulton:

1. Does the dominion government telephone service base its rates for service in whole or in part on telephone rates charged by commercial telephone companies?

2. If not, on what basis are its rates assessed?

3. Is the dominion government opposing or otherwise the applications of the British Columbia Telephone Company, a Bell Telephone subsidiary, and the Bell Telephone Company for increases in telephone rates?

Inquiries of the Ministry

4. Is the dominion government or the Department of Transport to be represented in any way before the board of transport commissioners on the hearing of the above-mentioned applications? If so, how is it to be represented?

Mr. Chevrier: Stand.

Mr. Church: I should like to call the attention of the house to the fact that last Friday I asked a question similar to this, and it is not on the order paper. In the standing committee I moved that no increase in rates be allowed for three years.

Mr. Chevrier: If the hon. gentleman will put his question on the order paper, we shall be very glad to answer it, along with the question of the hon. member for Kamloops (Mr. Fulton).

Mr. Church: The board of transport commissioners has exclusive jurisdiction over railway rates. A royal commission has been appointed, but it is not finding out anything.

Mr. Speaker: Question stands.

RENT CONTROL

QUESTION AS TO FEDERAL POWER OF ENFORCEMENT

On the orders of the day:

Mr. C. J. Henry (Rosedale): I should like to direct two questions to the Minister of Finance. Is there a lawsuit pending in the Supreme Court of Ontario in which certain property owners ask that court to determine whether the federal government has ceased to have legislative power to enforce rent control in Canada?

Some hon. Members: Order paper.

Mr. Henry: What steps is the federal government taking to be sure that all possible facts will come before the court in evidence to enable the court to decide whether or not the federal government has power to continue rent control in Canada?

Mr. Speaker: It seems clear that the questions which the hon. member has asked are ones which should be placed on the order paper.

TRANS-CANADA AIR LINES

VANCOUVER HEADQUARTERS—TRANSPACIFIC SERVICE—ALLOCATION OF PERSONNEL

On the orders of the day:

Mr. Howard C. Green (Vancouver-Quadra): I should like to direct a question to the Minister of Trade and Commerce or the Minister of Transport. Reports from Vancouver indicate that a proposal is now under consideration by Trans-Canada Air Lines to transfer a substantial portion of the shop work away from Vancouver and to transfer or lay off a considerable number of employees. Will one of the ministers make a statement on this report?

Right Hon. C. D. Howe (Minister of Trade and Commerce): Some time ago there was a plan to organize Vancouver as the terminal for the transpacific service of Trans-Canada Air Lines. Since then it has been decided to grant the franchise for the transpacific service to Canadian Pacific Air Lines. The result has been that Canadian Pacific Air Lines have concentrated their headquarters for both domestic and overseas services at Vancouver. The fact that the overseas service will not be operated by Trans-Canada Air Lines makes some rearrangement necessary in the plans that had been made for Vancouver. To what extent changes will be made, I do not know, but it was described to me as a minor change in the allocation of personnel.

Mr. Green: Does the minister know how many men will be involved?

Mr. Howe: I do not know.

Mr. Cruickshank: May I ask a supplementary question? Since Abbotsford is the only fog-free airport in British Columbia, will consideration be given to transferring the Trans-Canada Air Lines airport from Vancouver to Abbotsford?

Mr. Howe: Abbotsford is kept in reserve for emergencies. When any emergency arises, a transfer may be made to that field.

REPRESENTATION OF WESTERN CANADA ON BOARD OF DIRECTORS

Mr. Stanley Knowles (Winnipeg North Centre): May I ask the Minister of Trade and Commerce whether he has received representations from the Winnipeg chamber of commerce requesting that western Canada be represented on the board of directors of Trans-Canada Air Lines? If so, will consideration be given to such representations?

Some hon. Members: Order paper.

Mr. Speaker: I believe that question also might be put on the order paper. I do not know that there is great urgency about it.

Mr. Knowles: On a point of privilege, may I say that I intended to do that—

Some hon. Members: Order paper.

Mr. Knowles: —but the question was related to the question asked by the member for Vancouver-Quadra (Mr. Green), and I felt it might well be answered at this time.

FRUITS AND VEGETABLES

TOMATOES FROM THE UNITED STATES—DUMPING RESTRICTIONS

On the orders of the day:

Mr. G. K. Fraser (Peterborough West): Mr. Speaker, this question is urgent, and I should like to direct it to the parliamentary assistant to the Minister of Agriculture. The Minister of Finance said on October 4 that dumping restrictions were still in force in respect to fresh fruits and vegetables imported into Canada. Will the parliamentary assistant say why tomatoes are allowed to be dumped into Canada from the United States?

Mr. Robert McCubbin (Parliamentary Assistant to the Minister of Agriculture): I shall take notice of the question and give an answer later.

Mr. Fraser: May I ask whether an answer will be given before the tomatoes go bad?

FREIGHT RATES

NEWFOUNDLAND—MARITIME FREIGHT RATES ACT—SHIPMENTS VIA CANADIAN NATIONAL RAILWAYS

On the orders of the day:

Mr. G. F. Higgins (St. John's East): I wish to direct a question to the Minister of Transport. Is it correct that, through a misinterpretation of the terms of union between Newfoundland and Canada and a misapplication of the Maritime Freight Rates Act, Newfoundland importers and businesses are paying twenty per cent more than they should for freight shipments via the Canadian National Railways?

Some hon. Members: Order.

Some hon. Members: Order paper.

Mr. Speaker: I may say that it is extremely difficult for the Speaker to determine whether or not the question is one which should be placed on the order paper when there is so much noise in the house. From what I did hear of the question, however, it would appear to me it would be better if it were placed on the order paper.

Mr. Higgins: It is a very important matter.

Mr. Speaker: As I say, I could not hear the question. I do not know whether the minister heard it.

Hon. Lionel Chevrier (Minister of Transport): I did, Mr. Speaker, and I think perhaps there is some urgency about a part of the question. It is worded in such a way that it gives information rather than requests it. In any event, I must tell the hon. gentleman that I am not aware of any misinterpretation of the terms of union; neither am I aware of any misapplication of the Maritime Freight Rates Act. I doubt very much whether businessmen or manufacturers in Newfoundland are paying twenty per cent more for freight than they should. My understanding is that the freight rates in Newfoundland are much lower than they were prior to union with Canada. I am sure the hon. gentleman will understand that when a new freight rate structure is established in a province, there are bound to be some complaints. I should not be surprised if there were complaints, and perhaps discrimination. I am sure that the parties aggrieved will wish to present their case before the board of transport commissioners and have it dealt with there. I understand that is already under way.

Mr. Higgins: The question is based on a statement by the premier of the province.

WAR SERVICE MEDALS

QUESTION AS TO ENGRAVING OF NAME AND REGIMENTAL NUMBER OF RECIPIENT

On the orders of the day:

Mr. C. W. Hodgson (Victoria, Ont): I should like to ask the Minister of National Defence or his parliamentary assistant whether it is true that the war medals now being distributed to veterans are not engraved with the name and regimental number of the recipient.

Hon. Milton F. Gregg (Minister of Veterans Affairs): It is true. The medals which were distributed after the first great war did have engraved upon them the name and number of the recipient. But this time there were a great many more. As hon. members know from the publicity given to the matter, a man might be able to win eight. Some three and a half million medals have been produced by the mint. It was estimated by my colleague the Minister of National Defence and myself, when this matter was undertaken, that it would delay the production and the sending out of the medals by something like two years if the names and numbers were put on them. For that reason mainly, they were not put on, and the medals are going out without being so inscribed.

UNITED NATIONS

INQUIRY AS TO NOMINATIONS FOR ELECTION TO SECURITY COUNCIL

On the orders of the day:

Mr. Rodney Adamson (York West): I should like to address a question to the Secretary of State for External Affairs or, in his absence, to the Prime Minister. Has the government indicated to the Canadian delegation at the United Nations its wishes with regard to the election of the three new members of the

security council for the year 1950, specifically as between Czechoslovakia and Yugoslavia? If so, is the government prepared at the present time to make a statement of its intention?

Right Hon. L. S. St. Laurent (Prime Minister): The government has indicated its views as suggestions to the Secretary of State for External Affairs (Mr. Pearson) who heads the delegation at Lake Success. But, as has been the unbroken practice of Canada since the beginning of these meetings, we do not disclose in advance how we intend to vote—the vote is secret, and by ballot—for these offices.

PARLIAMENT BUILDINGS

GALLERY OF PRIME MINISTERS' PORTRAITS ON SIXTH FLOOR—MR. ATTLEE

On the orders of the day:

Mr. William Bryce (Selkirk): I wish to direct a question to the Prime Minister. Can he say why the portrait of the Prime Minister of the United Kingdom has not been added to the portrait gallery of distinguished prime ministers on the sixth floor?

Right Hon. L. S. St. Laurent (Prime Minister): I do not really know why it has not been added to that gallery, but I assume it is because the officials of this house and of the other place have no portrait available. It may be, Mr. Speaker, that having heard this question, you will see fit to arrange that one be made available and added to the portrait gallery of distinguished prime ministers.

Mr. Speaker: If it is the wish of the house, I shall be pleased to do so.

POST OFFICE

CHARLOTTETOWN—SPECIAL ALLOWANCE TO STENOGRAPHERS

On the orders of the day:

Mr. W. Chester S. McLure (Queens): I desire to direct a question of importance to the Postmaster General. I have been waiting a couple of days—

Mr. Speaker: Order.

Mr. McLure: In his absence I will put it on record. Will the Postmaster General give a full explanation of the withdrawal of the special stenographic allowance of $5 a month that the stenographers at the Charlottetown post office have been receiving?

Right Hon. L. S. St. Laurent (Prime Minister): I think, Mr. Speaker, the question is one which might very well be put on the order paper; it is of the kind that the Postmaster General (Mr. Rinfret) could not be expected to answer offhand; he would have to secure the information. I think that the most convenient way of handling the matter would be to have the question placed on the order paper, whereupon I am sure it will receive careful attention.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—ADDRESS TO HIS MAJESTY THE KING

The house resumed, from Tuesday, October 18, consideration of the motion of Mr. St. Laurent for an address to His Majesty the King praying that a measure be laid before the parliament of the United Kingdom to amend the British North America Act, 1867, relating to the amendment of the constitution of Canada, and the amendment thereto of Mr. Knowles.

Mr. J. G. Diefenbaker (Lake Centre): It is always difficult, Mr. Speaker, to resume a debate after an interval of days.

As I said the other evening, this debate has been singularly free from any manifestation of the national pride which permeated the hearts and minds of those in the United States who, from 1840 to 1866, both before and after the civil war, contributed to a discussion of the fundamental principles of the United States constitution. One thing has been pre-eminent in the outstanding addresses made in this debate by the four party leaders and other hon. members. There has been a realization on the part of all of us that we are not temporary tenants of freedom. We are actually making provision for the rebuilding of our constitution, discharging our responsibility as trustees for freedom of those who follow after us.

We can understand the reasons for the lack of national interest in a debate such as this; for all of us in this country accept the great heritage of our freedom. The British North America Act contains no charter of liberty as does the constitution of the United States. It is not couched in grandiloquent language. It is marked by simplicity. It advances no principles of government or of political philosophy. It makes no declaration of the rights of man, as our cousins south of the line do when from time to time they speak with eloquence and power of a constitution that is couched in magnificent language.

I think the precise draftsmanship of the British North America Act has in large measure denied to us the opportunity to express the pride which the people of the United States have in their constitution, and which in such large measure has given unity to the people of that country. All of us who read extensively on this subject must be impressed by the fact that our great leaders in parliament have not left personal

records of the history of their time as it came within the ambit of their public life and experience. One can go into the library and read the records of the steps in the development of our nationhood, but except for Pope's "Life of Macdonald" and Skelton's "Life of Laurier," which involve in part a reference to state papers, our national leaders other than Sir Robert Borden have failed to leave an intimate record of day-to-day experience as it has come to them during their period of office. I hope that the former prime minister of this country, Mr. Mackenzie King, will proceed with his memoirs and thereby give to posterity a record of one of the most challenging periods in our constitutional history. I hope, too, that Mr. Arthur Meighen, whose contribution to parliamentary government was, I believe, among the greatest in this country, will not only prepare a book containing his speeches, but will also give to posterity a record of the great developments that took place during his period of office, and particularly during the days of the first great war. These things animate peoples. The records of our great leaders become the history of this country. These are of the things of which the national spirit is built.

Our constitution contains no provision for amendment. All of us must have endeavoured to secure some information as to the reason why no provision for amendment was made. It suggests itself to me that the reason was this. There is only one way to amend a statute, namely, by act of parliament. One of the things that has held back the national development of our country which we might reasonably have expected has been the fact that our constitution, in its rigidity, has denied a development in social spheres which would be in keeping with the advances made during the last thirty or forty years.

In his book, "The Governments of Europe," Dr. W. B. Munro gives the reasons why it is necessary to have provision for an amending process in relation to the constitution in these words—

> The amending process may fairly be called a most important feature of any constitution. The purpose of a constitution is to preserve order, but it cannot preserve order unless it promotes progress—and it cannot promote progress unless it is capable of being amended either formally or by judicial interpretation to meet the new needs that arise. A constitution should not be too easy to amend; for in that case it will fail to secure order, stability and continuity in the nation's political life.

We should mark these words so far as constitutional freedoms are concerned. I continue:

> Nor, on the other hand, should it be too difficult to amend, for it will then clog the wheels of political progress and serve as an incentive to *coups d'état* or revolutions. The ideal amending process is one that assures stability without impeding the normal development of political and economic activities among the people. On this general principle all makers of constitutions have been substantially agreed.

Our constitution is amendable in three ways. One is by custom or convention. A reading of the British North America Act will indicate the extent to which, as a result of custom and convention throughout the years, many of the provisions of the act have become inoperative. In the British North America Act there is no provision for a cabinet. The right of the dominion to dismiss lieutenant governors of the provinces, or to a lesser extent to disallow provincial statutes, has fallen into disuse; yet it is part of our constitution. The power of reservation to the king of legislation passed by parliament is no longer effective. Custom has changed that. Indeed, in 1929 at a conference of the dominions it was agreed that the power of disallowance of Canadian legislation by the king no longer existed. The same process of constitutional change by custom has taken place in the United States; the electoral college was set up as a body to ensure that the best qualified in the United States and the greatest potential leader of that country would become the president. Within ten years that express provision was no longer in effect.

Having agreed that there is a need for constitutional amendment other than through custom and judiciary interpretation, one arrives at a point on which there is diversity of opinion among hon. members of this house and the people of this country. To amend the constitution, as has been pointed out over the years, is not a simple matter. The seductive simplicity of the plan now before the house will not spell the end of controversy in this country. As I see it, the problem is not one of urgency at this session of parliament, because the part of the constitution with which we are dealing belongs to all our people. Earlier I mentioned the doctrine of the compact theory. I care not what one's views may be, Mr. Speaker—whether one believes that the British North America Act was a pact, a compact, a treaty or a contract; above everything else, being the possession of all the people of Canada, the constitution, if unity is to be preserved, should be amended only in a spirit of co-operation on the part of the federal and provincial authorities.

I do not believe in the veto of any one province of portions of our constitution, other than those preserving constitutional freedoms; for to accept the principle of veto would be to deny the onward march of events. Having said this, I deny as well the

propriety of an attempted coercion of the provinces to achieve amendments to the constitution.

The Prime Minister (Mr. St. Laurent) mentioned—and they have been referred to since—the precedents that have been established year by year since confederation. The precedents until 1946 were on matters regarding which there was little or no dispute. But in 1946, by a simple majority of parliament, a change was made in the British North America Act that did in effect concern the dominion and the provinces. Some ask me: What foundation have you for that? Well, Dr. Ollivier has been quoted on a number of occasions. In his evidence on the subject before the parliamentary committee he said that section 51 should be amended only with the consent of a majority of the provinces and the dominion.

The amendment of 1946 became a precedent, and that precedent is being applied in the present case. The necessity of amendments is generally agreed to in the house. The British North America Act endeavoured to reconcile the great and abiding principles that are our British tradition, with the experience in the United States that resulted in the civil war in the sixties, but could not be expected to meet all of the complex problems arising over eighty years.

The amendments that are necessary are those which will readjust the terms of our constitution—let me make it clear that in no case do I refer to the constitutional freedoms when I say that—to make it a charter of progress which will permit the realization of the yearnings of the people—not too flexible, not too rigid; flexible, but not too fluid; not too rigid, for if so it brings about the kind of stultifying limitations we have in respect of social services; and it should be sufficiently elastic to meet the needs of changing conditions. I remember hearing a former minister of justice in this country, a great constitutional lawyer, giving evidence in 1935 before a committee set up by parliament, say that what the constitution needs—and I use his own words—is "elastic rigidity".

I wish to refer for a moment to the question whether the pact theory is historically correct. Mention has been made of the stand taken by Mr. King in 1925, and by Mr. Meighen in 1925 and on other occasions, both of whom described the act as a pact, as a treaty or contract.

On February 18, 1925, a resolution was brought before the house by Mr. W. F. Maclean, seeking the amendment of our constitution. I shall not read it in detail, but it is of interest to note that Mr. Woodsworth, a former leader of the C.C.F., and a great Canadian by any measurement, did not hold the view of hon. members who now sit to my left. Perhaps I should read the resolution, which stated:

> We, Your Majesty's most dutiful and loyal subjects . . . pray that you may graciously be pleased to give your consent to submitting a measure to the parliament of the United Kingdom to amend the British North America Act, 1867—

To which Mr. Woodsworth moved in amendment, asking that these words be added—

> Upon first obtaining the consent of all the provinces of Canada.

That was in 1925.

Mr. Coldwell: I know that is correct; but did not Mr. Woodsworth subsequently change his opinion?

Mr. Diefenbaker: In 1925 Mr. Woodsworth moved that amendment. I have not followed up for any variations and changes of opinions. I do say, however, that in 1925 he said that the consent of all the provinces was necessary. Not satisfied with that, Mr. Irvine on February 19, 1925, as reported at page 323 of *Hansard*, moved a further amendment respecting minorities—

> . . . that, before action be taken on the proposed resolution, the same be referred to the conference proposed in the speech from the throne for consideration and recommendation.

That, sir, is exactly the stand we take in the matter. We say it should be submitted to a conference. We say there is need of compromise between federal and provincial authorities if the aims and desires of our people are to be achieved. The spirit of tolerance which animated the fathers of confederation must animate us in all parts of Canada. We have two divergent groups in this country to consider, one of which is for ever speaking about our lack of sovereignty and our subservience.

Where is the lack of sovereignty? In 1925 Mr. Mackenzie King, speaking in the House of Commons, indicated that to ask for amendments to the British North America Act through the British parliament was no evidence of subservience. It was simply an indication of the failure of the Canadian people as a whole to agree as to the method to be adopted. He concluded, as reported at page 334 of *Hansard*—and I shall only summarize what he said—that Canada could have her constitution amended any time she asked for it. Yet there are still political Don Quixotes who, every year or so, are wresting from the imperial parliament imaginary powers long since obsolete. They are afflicted with what the Prime Minister calls an inferiority complex. They are for ever dilating on badges of colonialism—which have become out of date, by custom, and have

ceased to exist since the Statute of Westminster, following the Balfour declaration of 1926.

Had I time I would refer to quotations indicating that the Balfour declaration in fact represented the consensus for many years in all parts of the commonwealth. Then there are the strong and outspoken imperialists who believe that any advance in the process of self-government will lead to disruption of our relationship with the commonwealth and empire. No Canadian can but be proud that through the warp and woof of our constitution are the golden threads of our British heritage.

I believe in the British relationship—and I speak as one whose racial origin is not all British. My paternal ancestors came here for freedom under the British crown. I want to see that relationship continued and expanded in the closest concept of our commonwealth. Our problems will not be solved by extremists. There must be a spirit of compromise, lacking in the resolution before parliament. What we are in fact setting out to do is to delineate by a definition of parliament the responsibility and jurisdiction of the federal authority. The Prime Minister shakes his head to say no—in appearance, no; in actuality, yes.

I find it necessary often to quote Mr. Ernest Lapointe, for in the years that he occupied high positions in Canada he epitomized that statesmanship which brought together many of the adverse elements in our country. An experienced statesman, he knew the problems of this country. The Prime Minister has contended that the dominion will not secure the power under this amendment to interfere in any way with provincial jurisdiction. Is the line of demarcation clear? On May 11, 1931, the former minister of justice (Mr. Ernest Lapointe) said:

> I have said that the system to amend the constitution is vague. We really do not know what are the amendments in respect to which the assent of the provinces should be first received and those in respect to which such consent is not necessary.

And he referred to the shadowy boundary between them. The right hon. gentleman said that the government does not intend to infringe upon the jurisdiction of the provinces. When did they develop that attitude? Since 1922, in the Fort Frances case, the government of which he has been a member has on more than one occasion infringed upon the jurisdiction of the provinces under the doctrine of emergency. Only ten years ago the doctrine of economic emergency was extended to the doctrine of defence emergency.

My right hon. friend avers that the courts will prevent invasions of the provincial jurisdiction. The United States supreme court is part and parcel of the constitution, and actually rewrites the constitution in the judgments it gives. I would point out that in the United States—I am not advocating that system—while the judges of the supreme court are nominated by the president the appointments must have the support and acquiescence of the United States senate, thereby assuring that under their constitution as far as possible no consideration other than judicial fitness will be a reason for appointment.

The question arises: What procedure should be followed? I shall not deal with the question of procedure, except to say that in the dominion-provincial conference of 1927, to which the Prime Minister made reference, the matter was discussed. What happened? Page 11 of the report sets out what actually took place when no agreement could be arrived at. It was not a case of truculence or lack of patriotism on the part of those in attendance, because I think almost all the representatives were of the Liberal party. They could not come to any agreement.

The matter continued to be referred to until 1935, when there was another dominion-provincial conference. If ever a dominion-provincial conference met under auspices which might lead one to expect the dove of peace to be present, it was that conference of 1935. There was only one dissenter in the group so far as politics were concerned, and that was Mr. Aberhart from Alberta. There were representatives from eight Liberal governments. Who was it that dissented? Mr. McNair, the present premier of New Brunswick, was the one who dissented from the recommendations.

In 1927 Mr. Lapointe suggested that the proper way to proceed was by joint resolution of both houses of parliament, with the approval of five of the provinces. In the case of sections 93 and 133, and subsections 12, 13 and 14 of section 92, the consent of all the provinces should be required. Much the same general viewpoint was expressed by Dr. Ollivier in the evidence which he gave before a parliamentary committee in 1935 that there are 53 sections where consent is not required, of which some are out of date. There are 40 sections where the consent of the provinces would not be required; there are 12 sections where the consent of one province would be sufficient, and there are 39 sections—including section 51, which was amended in 1946 by a simple majority of parliament—where the consent of a majority of the provinces would be required. Finally, the consent of all provinces would be required in connection with sections 5, 6, 7, 93, and 133, as well as subsections 12, 13 and 14 of section 92.

It is dangerous for this parliament in effect to say to the provinces: You could not agree during all these years, so we intend to go as far as we can and divide this constitutional amendment into two parts. Anything that can be interpreted as coercion would deny the desire of the Canadian people to achieve that confederation which we all desire. Coercion, or any suggestion of it, will spell disunity and is a denial of the faith of the fathers of this country. Our democratic system is a matter of compromise, not of counting. Under a dictatorship the individual is counted; under a democracy he counts.

There are those who say that the doctrine of compact has no application. I do not intend to argue that question for I cannot speak with the assurance of those who say definitely that the B.N.A. Act is a compact and those who say definitely that it is not. We want to preserve this federal union. There can never be a dictatorship in this country as long as our federal union is preserved. A dictatorship comes only under a unitary state.

Mr. Speaker: The hon. member's time has expired, but I am sure he has the unanimous consent of the house to continue.

Some hon. Members: Go ahead.

Mr. Diefenbaker: I do not make it a practice to speak beyond the period allotted to me, but I shall complete what I have to say in a matter of a few minutes. I want to thank you, Mr. Speaker, and through you the hon. members of the house, for granting me this courtesy.

On October 13, 1943, the Prime Minister spoke to the Women's Canadian Club in Montreal on this subject, and the report in the Montreal *Gazette* reads as follows:

> The only remaining restriction standing in the way of complete freedom from the British parliament was that which makes it necessary to apply to Westminster for an amendment to the British North America Act, which constituted Canadian confederation.
>
> That restriction, said Mr. St. Laurent, was placed there "at our own request."
>
> "We are all, I think, agreed that whenever it (the constitution) has to be amended, that operation should be performed by our own representatives right here within our dominion," he added.
>
> "But we have not devised a scheme to make such amendments which will provide proper safeguards for the rights of the provincial authorities and of minorities, now secured under the terms of the British North America Act."

That is what the Prime Minister said in 1943. As we are not to have a committee of parliament on this subject, I now ask the Prime Minister what plan the government of Canada will submit to the dominion-provincial conference. What subjects of legislation is it intended shall be exchanged between the dominion and the provinces? What are the safeguards to be provided in respect of section 133 and the other fundamental sections which provide for freedoms? How is section 133, which deals with languages and other matters, to be preserved for the benefit of future generations? I ask the Prime Minister whether it is intended, when this address passes this parliament and finally becomes law at Westminster, to amend section 133, and if so, in what particulars? These are some questions which the people of this country would like to have answered. Why the inordinate haste, if the situation be as clear as the Prime Minister says it is, and only matters coming under federal jurisdiction will in fact be dealt with by legislation? What are the matters coming under federal jurisdiction that will shortly find their way into this parliament in the form of legislation introduced as a result of this amendment? The house as a whole has a right to full information.

Why not wait until a constitutional convention is called, such as was recommended by Mr. Bennett in 1937 and approved by Mr. King as the ideal way to go about it? That method was conceived many years ago in the mind of Sir Clifford Sifton, one of the great statesmen who came out of western Canada. It was his idea that such a conference should be convened, giving equality of representation to the provinces and to men of all political faiths. It was his hope that their deliberations would have the same result as the deliberations of those who formulated the constitution of the United States, and of those who on occasions since have made recommendations for the content and scope of constitutions in other states. It was his hope that those attending such a conference could join together, not as partisans but as Canadians, to recommend changes in the constitution to remedy provisions which constitute a detriment to the development of this country. Again I refer to Mr. Ernest Lapointe, who, on February 19, 1925, pointed to the dangers of arbitrary action. We are not here to fight over the internecine difficulties that exist as between the Prime Minister of Canada and the premier of Quebec. We are here as Canadians to try to work out a solution to a problem that has tested and challenged the statesmanship of Canadians through the years. Is there anything new in this partly bifurcated step? Mr. Meighen thought about this in 1925, but realized that it would create an anomalous situation in dividing the manner and means of amendment of the Canadian constitution without first having consultations with the provinces.

With the overwhelming majority the government enjoys, sometimes it seems futile to speak here. We cannot hold them back. We cannot determine their course. Warn we can

that to bring in this measure before convening either a dominion-provincial conference or a national assembly for the purpose of considering methods of amending the constitution augurs danger for the future. For it may well turn out that this address, instead of being a landmark in our forward march, will be the gateway to constitutional confusion. Cynicism, despair, fear that we cannot get Canadians together, should not prevent the convening of a conference before this address goes to the British parliament, and where there is unfairness or injustice on the part of anyone in the conference or a refusal to co-operate, the Canadian people will know the facts. We shall never secure what we all want, the kind of Canada pictured by Vincent Massey in his monumental work, by expressions of animosity or truculence as between dominion and provincial authorities.

So once more, Mr. Speaker, I ask, why the haste? Why not postpone this measure until the next session of parliament? Call a conference. If it proves abortive, if we have the power to do what the Prime Minister contends must be done, I will join with him, no matter what others may do, and support him. I shall make my contribution, humble though it may be, to the rebuilding of a foundation that will bring about a constitution in keeping with our responsibility as a nation.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, I do not rise at this time to reply to the arguments which have been advanced against the course proposed by the government. It will be my privilege to do that at a later stage of the debate. But let me say at once to the hon. member for Lake Centre (Mr. Diefenbaker) that no matter what disposition may be made of this resolution, I hope we will have his support in our forward march toward the destiny that lies ahead for our country.

I would point out to the hon. member that there are some of us who, in the face of what has been going on, and with all the precedents that have been referred to and commented upon, prefer half a loaf to no bread at all. Though it may be said that this is doing things piecemeal, we would rather have this piece than not have anything.

Because of the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles), I thought at this time I should say that, in spite of what the hon. member for Lake Centre said the other evening, many of us do see some merit in the principle embodied in that amendment. If no reservations were being made in this resolution, there would be no occasion for the amendment proposed by the hon. member; but I think we all recognize that there are no greater safeguards for the democratic institutions of our nation than the right of parliament to be assembled at least once a year and the right of the people periodically to express their satisfaction or dissatisfaction with those who represent them in parliament. I am as firmly attached as any Canadian could be to the other privileges mentioned—with respect to education; with respect to the use of the English and French languages in this country, and so on. They are rights which I do not think would ever be interfered with by any free parliament, but as to which there is a feeling that it would be more comfortable to have a safeguard expressed in formal terms. If that be so in connection with the rights of a part of the citizens of Canada, be they majorities or minorities, it does not seem illogical that there be some expressed formal guarantee of the right of the whole of the people of Canada to have their representatives called together at least once a year, and also their right to have their representatives come before them periodically to receive the verdict of the people as to whether they are satisfied or dissatisfied with the manner in which their representatives have been attempting to represent them in their parliament. After all, parliament is not the parliament of the government, nor the parliament of those who are elected to sit on these benches; it is the parliament of all the Canadian people.

Though I am convinced that neither this parliament nor any successive parliament would lightly attempt to interfere with any of those rights, I see no logical objection to having them expressed, when other rights are being entrenched by the proposal that is now before the house. It does seem to me, however, that there might be an occasion when a large majority of the members of parliament would feel it would be against the interests of the country to have an immediate election. It is conceivable that that could be the case, for instance, in times of war. It did happen once. It is conceivable that an overwhelming majority would feel it would be contrary to the best interests of the nation to have an election. It takes about three months to hold an election, and there are periods when it would be most embarrassing to a government charged with the responsibility for the security of the Canadian nation to be thrown into the midst of an election campaign.

During most of the last war I was charged with part of the responsibility of government. There were many, many months during that war when I think it would have been dangerous to the country to have held an election. I believe it would be wise, if we do

entrench those provisions, to have a proviso that could not be lightly relied upon, but would be there in case an overwhelming majority did feel that, under war conditions, it would be dangerous to the safety of the state to have an election. That happened in the United Kingdom during the last war. I think it was the feeling of the overwhelming majority in the country that it was wise to avoid having an election.

I would, therefore, ask one of my colleagues to move an amendment to the amendment, which would strike out some of the words that appear to be unnecessary in a constitutional amendment, such as the reference to section 20 and section 50 of the act. Certain words would be added at the end of the amendment. The amendment to the amendment which I would have proposed would strike out in the fourth and fifth lines the words, "requirement of section 20 of this act," and substitute therefor the word "requirements;" and strike out in the seventh and eighth lines thereof the words, "or as regards the requirement of section 50 of this act," and substituting therefor the word "and". Then, at the end of the proposed amendment there would be added, after the words "five years", the following words, "from the day of the return of the writs for choosing the house." Then, this proviso would follow:

Provided, however, that a House of Commons may in time of real or apprehended war, invasion or insurrection—

I may point out that those are the words in the War Measures Act which describe that condition.

—be continued by the parliament of Canada, if such continuation is not opposed by the votes of more than one-third of the members of such house.

My experience has been that in times of stress, most if not all of the members of parliament sink their partisan feelings and do endeavour to act in a manner which they believe in their hearts and consciences is in the best interests of the country. I would think that if this proviso were worded in that fashion, then a continuation of parliament could be prevented by a third of the members of the house and the constitution would take its course. If there were an overwhelming majority, and I can conceive of a condition in which there might be no objection whatever from any quarter, it would be possible to postpone an election for a reasonable time. It would have to be a reasonable time, otherwise the members would not give it their support.

I do not propose this amendment because I apprehend there will be any circumstances during our lifetime when it would be apt to be used. If, however, the resolution is passed and implemented by the parliament at Westminster it is something which will go into the constitution. In my view, it will not be wise to have a constitutional convention for a long time, and to disregard eighty-two years of our experience since confederation. We had a very interesting and sincere debate the other day upon the doctrine of *stare decisis*. A great deal has been decided under our constitutional act of 1867. I think it would be a mistake to throw all that aside and to start with new language and new texts. In such a case, the whole process might have to be gone through again. The decisions rendered might no longer be applicable to the kind of language that would be used.

After all, the very preamble of the British North America Act is an expression of the desire of the people of the colonies of that day to have a constitution modelled on the British constitution. The British constitution is the result of experience, the fumbling, if you will, the trial and error of centuries. It seems to me it would be the part of wisdom to retain the old structure and make such alterations or improvements from time to time as the living generation may feel it in order to do. We should retain the substance of that which has been the outgrowth of the language used in the original act. Because I foresee the continued existence of much of the language of the British North America Act, and because no one in these days can be sure what the future may bring, I think it would be wise, if we do entrench these essential rights of the Canadian citizen with respect to his parliament and his government, and to have a proviso that might some day be useful.

I would therefore ask my colleague, the Minister of Justice (Mr. Garson), if he would move, as an amendment to the amendment, the words I have cited. If that subamendment were adopted, it would mean that the amendment as amended would read as follows:

The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces, or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province, or to any class of persons with respect to schools or as regards the use of the English or French language, or as regards the requirement of section twenty of this act that there shall be a session of the parliament of Canada at least once each year, or as regards the requirement of section fifty of this act that no House of Commons shall continue for more than five years from the day of the return of the writs for choosing the house, provided however that a House of Commons may in time of real or apprehended war, invasion or insurrection be continued by the parliament of Canada if such continuation is not opposed by the votes of more than one-third of the members of such house.

Mr. Smith (Calgary West): Before this motion is put, will the Prime Minister permit a question purely for clarification? When you speak of one-third of the members, I take it that you mean one-third of the members present and voting?

Mr. St. Laurent: No, Mr. Speaker; I thought that would then be a serious matter and that anyone who was not in agreement that an election should be postponed would come forward and say so. It could not be done except with an almost overwhelming majority. In drawing this amendment I felt that it would be a matter of such gravity that anyone who took the view contrary to that of the majority should come forward and register his vote against the proposed continuation. I am not making this answer to the hon. member as an argument, but merely to clarify what I had intended in drafting the amendment to the amendment.

Mr. Smith (Calgary West): You did consider the point?

Mr. St. Laurent: We considered it, and it was done purposely to accentuate the gravity of the matter with which it was supposed to deal.

Mr. Fleming: Will the Prime Minister permit another question in order to elucidate the effect of the amendment? In the case indicated by the Prime Minister, suppose the two-thirds vote is not favourable; what is there then to prevent parliament, by a simple majority in both houses, proceeding to pass an address asking the parliament at Westminster to suspend those two sections of the constitution which require the holding of an election every five years and a session of parliament once a year?

Mr. St. Laurent: There would be nothing but the sense of responsibility that would have developed in the Canadian nation by exercising at home its control over its own affairs. There would be no other thing than that. But I would imagine that if and when this is done, and if and when, after a conference with the provinces, the other provisions are subjected to a process of amendment in Canada, it would then be rather distasteful to members of parliament to recognize the fact that they could not, under the machinery they themselves had set up, do what was required and that they had to ask a parliament responsible to other electors than their own to do it for them.

Mr. Adamson: May I ask the Prime Minister this question? It would then take eighty-eight recorded votes in this house to postpone an election?

Mr. St. Laurent: Yes, provided there were no vacancies and there was a majority that felt it could take the unusual step of refusing to the electors an election at the given moment.

Mr. Adamson: It is just a question of procedure.

Mr. St. Laurent: That is something which, during the whole of the last war, my predecessor always stated he would not take the responsibility of proposing. The hon. gentleman will remember that there can be diverging views in perfectly good faith about that, and even changing views. If my memory serves me correctly, the leader of the opposition in 1915 agreed to or did not oppose the extension of the life of parliament; then in the next year, when a further extension was proposed, he did oppose it. It is a matter which I think members try to deal with according to their own views of what is at the moment in the best interests of the nation.

Mr. Green: May I ask the Prime Minister a question, Mr. Speaker? As I understand it, this amendment would mean that the present government, which has over two-thirds of the members of the house, could, if it so wished, extend the life of parliament beyond the five years.

Mr. St. Laurent: That question is, I suppose, merely for clarification, Mr. Speaker; but a hypothesis like that would not arise except in the case of war, real or apprehended. I can give the hon. member the assurance that for the duration of this parliament there is no thought at the present time that there need be any fear about war, real or apprehended.

Mr. Diefenbaker: May I ask the Prime Minister this question? Where does the Senate come in?

Mr. St. Laurent: The act would of course have to be passed by both houses of parliament.

Mr. Diefenbaker: Does it say that in the amendment?

Mr. St. Laurent: It says by an "act of parliament". An act of parliament is something that is passed by both houses and is assented to by the crown. What it does add to the ordinary formalities of an act of parliament is this fact: If one-third of the members of this house are opposed to it, it shall not be enacted and become law.

Mr. Church: It just makes a scrap of paper out of the British North America Act.

Mr. Garson moved:

That the amendment proposed to the resolution be amended by striking out the words "requirement of section 20 of this act" and substituting therefor the

word "requirements" and by striking out the words "or as regards the requirement of section 50 of this act" and substituting therefor the word "and", and by adding at the end of the proposed amendment after the words "five years" the following words:

"from the day of the return of the writs for choosing the house; provided however, that a House of Commons may in time of real or apprehended war, invasion or insurrection be continued by the parliament of Canada if such continuation is not opposed by the votes of more than one-third of the members of such house.

Mr. George A. Drew (Leader of the Opposition): This amendment to the amendment, Mr. Speaker, merely serves to emphasize why this motion should not be proceeded with at this time. It recognizes that there was considerable concern, in the minds of the provincial governments and of those who understand our federal system, about a course of this kind. In the original motion there is a reservation with regard to education and with regard to minority rights. The fact is that if this motion were as clear as the Prime Minister and those who have spoken in support of it say that it is, there would be no need for a reservation of any kind. But the very fact that the reservations are there recognizes the uncertainty of this procedure; and now when another matter of concern is raised, a new reservation is introduced, this time one not affecting directly the rights of the provinces as provinces, but affecting the rights of the parliament of Canada to continue its life beyond the ordinary period of five years. With the purpose behind this amendment of assuring that there will be a meeting of parliament once a year, and an accounting to the electorate at least once every five years, I am sure there will be agreement everywhere in this house. But it is only one of many things that are of concern in regard to the amendment or possible amendment of our constitution. True, the periodic accounting of the elected representatives of the people to those who elect them is the very hallmark of democracy; and certainly the representatives of the people in this democratic assembly should make sure that nothing is permitted to limit the right of the people to have those they have chosen appear before them to give an account of their stewardship during the time that they have sat in the parliament of Canada. The desirability of assuring such an accounting, the desirability of making sure that parliament will meet regularly and not be suspended, as it was on one historic occasion in Great Britain many years ago, may be a very commendable thing, but the fact is that this amendment to the amendment is simply something to attract attention and produce no practical results.

When the Prime Minister (Mr. St. Laurent) was asked whether there would be anything to prevent a subsequent submission to Westminster to remove this limitation he said, as he had no choice but to say, that there would be nothing to prevent such a submission being made by the parliament of Canada except that measure of responsibility that would exist in the minds of the members of parliament because of their experience. Is the Prime Minister suggesting that we who have been boasting of our sovereignty have not developed that responsibility yet? Certainly we have. And that responsibility has been demonstrated for many years. It is because of that responsibility that every one of us believes that we should have the full right to amend the whole of our constitution here in Canada for Canadians by the elected representatives of the Canadian people without anyone outside Canada having the right to say how any part of the constitution shall be amended in the future. But this limited concession to a natural concern about the danger of the unlimited extension of parliament is only an admission that there is no clear procedure, and nobody knows what would happen if this amendment goes through.

This amendment itself, and the amendment to the amendment, constitute themselves the very best argument why this motion should stand. The very fact that it is considered desirable to put this amendment and the amendment to the amendment before this house is evidence of the concern that does exist about the fact that there is no established procedure now known to hon. members as to how our constitution will be amended if this motion passes. This amendment, with its subamendment, does not in any way lessen the basic weaknesses of what is now proposed in this house.

It seems to me that one thing has been overlooked by hon. members in the discussions that have taken place. Since I had the privilege of speaking earlier on this debate on the motion itself a number of statements have been made which have indicated that those who are supporting this resolution are of the opinion that its adoption will give to the parliament of Canada the right to amend the constitution only in regard to those matters that are exclusively federal. I ask every hon. member to read the resolution again, because that is not what the resolution says. The resolution says the very opposite. The resolution does not follow what has been said in this house. At pages 833 and 834 of *Hansard* the Prime Minister said in this debate:

This resolution deals only with matters which concern exclusively the federal authorities.

And that is what has been put before hon. members; but that is not what the resolution actually says. The resolution is something entirely different. The Prime Minister pointed out something that should not be forgotten at any time in the consideration of the effect of this resolution. He pointed out that there are three fields of legislative and administrative responsibility that are affected by the constitution of Canada under our federal system. The first is that field that, subject to definition and judicial decision, may be regarded as exclusively federal. The second is that field that may be regarded as exclusively provincial, and the third is that field that is occupied to some extent by both the dominion and the provincial governments, or in which there may be a common interest. Bearing that in mind it is very important in the consideration of the effect of this resolution when we are told that this relates alone to those matters that are exclusively of federal concern. This is what the resolution says. After that part which calls for an amendment to the act it would provide that the following would be inserted:

> The amendment from time to time of the constitution of Canada, except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces.

That is a very different thing. If this resolution were passed there would be the power to amend the constitution of Canada in regard to all matters which are not exclusively within provincial jurisdiction. If these words mean anything they mean that the power to amend would cover not only the field of exclusive federal jurisdiction but also that intermediate field as well where there is some overlapping interest from the legislative or administrative point of view so far as the dominion and the provinces are concerned. Instead of this resolution calling merely for the power to amend those things which are exclusively federal, it would give to the parliament of Canada the right to amend all those things that are not exclusively provincial.

Mr. St. Laurent: Would the hon. member permit a question? Does he not think the expression, "or as regards rights or privileges by this or any other constitutional act granted or secured to the legislature or the government of a province", does include everything that would be the provincial part in joint matters?

Mr. Drew: No, I do not agree that that covers it. I certainly do not agree that that covers it, because there are a number of matters where there is very real overlapping in administrative responsibility at the present time.

An hon. Member: Such as?

Mr. Drew: Such as agriculture; such as health; such as public welfare. And, Mr. Speaker, I am wondering if there is not, behind the haste for this resolution, some hidden reason that has not been disclosed to the house. I am wondering if the real reason behind the resolution is not that there is an intention to avail themselves of the power which would be conferred to invade that middle area, and by presenting this submission to Westminster now to be free at the next session of parliament to deal with something that is not at this time being disclosed.

Mr. St. Laurent: I hope the leader of the opposition (Mr. Drew) does not intend that as an insinuation that anything is being withheld in this debate by members of the government.

Mr. Drew: Mr. Speaker, I have a very definite reason for being greatly concerned about the adequacy of that information, and it goes back to a reply made by the Prime Minister on February 4 of this year to a question relating to this very subject. At page 232 of *Hansard* there is a record of a question and answer which, I believe, has a real bearing upon the extent to which the members of this House of Commons should be perfectly sure that they do know all the implications of this resolution. At page 232 I asked this question:

> Mr. Speaker, there is a matter which I suggest does require that some information be given to the house, in view of other proceedings which will be taking place. In a radio speech last night the Prime Minister said, in part:
>
> "You all know that the terms of confederation are set out in the British North America Act. That act is the foundation of the Canadian union. The British North America Act is a most important part of the Canadian constitution. But it is also a statute of the British parliament. Every time we Canadians want any change made in the British North America Act we have to go through the form of getting the change made by the parliament of the United Kingdom. As a Canadian, I do not like to have to do that. What is more, I feel sure the United Kingdom parliament does not like it either. I believe we Canadians should work out a method of making our constitutional changes right here in Canada."
>
> In view of the fact that certain matters are before the house which may well raise a question as to the necessity of amendment of the British North America Act, I believe the house should be informed this afternoon whether it is the intention of the government to take proceedings which would have the result of empowering the parliament of Canada to change our constitution, and if so, whether that is to be done without consulting the provincial governments.

To that the Prime Minister replied as follows:

> Mr. Speaker, no one could contemplate anything of that kind without consulting the provincial governments. As the leader of the opposition knows,

there was a consultation with the provincial governments ten or twelve years ago, perhaps more than that. The negotiations reached a stage where it was required to have the provincial governments consider the situation as it had developed throughout the conference. While that consideration was being given by some of the provincial governments, there was a provincial election in my province which brought about a change in government, and the matter dropped. The procedure which I believe would be required to deal with a question of the kind would be similar to that which was followed at that time, some twelve or fourteen years ago.

May I repeat that sentence, because that, after all, is the undertaking by the Prime Minister of Canada as to their intentions concerning amendments to the constitution:

The procedure which I believe would be required to deal with a question of the kind would be similar to that which was followed at that time, some twelve or fourteen years ago.

I was astonished to hear the Prime Minister say that the hon. member for Lake Centre (Mr. Diefenbaker) must be naive if he thought that his undertaking to consult the provinces had related to that part of the constitution which affected the affairs with which the dominion parliament is concerned. But the Prime Minister of Canada on February 4 gave a definition which is open to no misunderstanding. He did not merely say that they were going to consult the provinces; he said they were going to follow the course that was followed back in 1935. Therefore every one of us has the right to examine what happened in 1935. We had the right then, and we have the right now, to see that his undertaking was clear, and that the government will ask the house and parliament to follow the procedure agreed upon back in 1935 at the very conference to which he referred.

Mr. Diefenbaker: Consultation if necessary, but not necessarily consultation.

Mr. Drew: That was the effect of it. As I pointed out earlier in this debate, the discussion of this subject at that time had the unique importance that it began in the spring of 1935 under the government of Mr. Bennett, when a committee dealt with this matter. Among their recommendations was the one that the committee further expressed the opinion that before any decision upon the subject matter was finally made, the opinions of the provinces should be obtained, and recommended that a dominion-provincial conference be held to study carefully the adoption of a recognized yet flexible method of amendment.

Then I also referred to what took place later in the year, when a government headed by Mr. King had taken office. Following the recommendation of the committee appointed in the spring by the Bennett government, a conference was called in December. At that conference Mr. Taschereau, as premier and attorney general of the province of Quebec, presented a resolution which was adopted by the conference, and which made it perfectly clear that they expected the procedure would be the result of a meeting between the dominion and the provinces, and that there would be an agreed procedure as to the method of amendment.

Paragraph (c) of that resolution read in this way:

That the minister of justice convene at an early date a meeting of appropriate officials of the dominion and of the provinces to prepare a draft of such method of procedure to be submitted to a subsequent conference.

(d) That a conference be held at an early date after such draft has been prepared to consider such a method of procedure.

The Prime Minister has referred to that conference and has pointed out that following that resolution presented by Mr. Taschereau and approved by the conference certain general features in regard to procedure were adopted. We must examine those now in the light of the assurance given by the Prime Minister on February 4. An examination of what took place at that conference makes it clear that all the discussion was directed to a procedure which would embrace the amendment of the whole constitution. At no single time was there any suggestion that our constitution should be ripped down the middle and that those who were claiming to end subservience to Westminster would be the very ones to perpetuate it by following a course that would make it extremely difficult, if not impossible, ever to obtain consent in regard to the amendment of our constitution.

Mr. Church: It would make it only a scrap of paper.

Mr. Drew: That is what this would do, make our constitution a scrap of paper. It would proceed to amend the constitution in a way that was never contemplated before. Naive? Well, if accepting the assurance of the Prime Minister of Canada given in clear words is being naive, yes we are naive. If accepting the clear assurance of the Prime Minister of Canada that there would be consultation with the provinces was naive, yes the people of Canada were naive.

We are being asked to accept the assurance that there is no danger in dealing with this because the responsibility of the members themselves would be a safeguard against the infringement of our basic constitutional rights. If we are to feel confident in that, then certainly the whole procedure that was worked out and advanced to a considerable degree in 1935 and 1936 should be continued and the undertaking given by the Prime Minister on February 4 should be observed.

Desirable though the purpose of the subamendment and the amendment may appear, they in no way meet the serious weaknesses that exist in this resolution. When so important a step is being taken it is more important than at any other time that an attempt should be made to obtain the wholehearted support and co-operation of all provincial governments so that when our new constitution takes form it will be acceptable to all governments of Canada and all the people of Canada and not be one that has simply been put through by a majority vote in the parliament of Canada.

When it is so clear, and it is abundantly clear, that all hon. members of this house are anxious to have the amending of our constitution carried on here in Canada under our own parliament, surely every step should be taken to avoid those misunderstandings and unnecessary conflict which can only defeat the very purpose for which it is said this resolution is presented to the house. As the Prime Minister said when introducing this resolution, this is an historic milestone in the history of Canada. Let us not mar that step by following a course that will precipitate constitutional arguments and misunderstandings in different parts of Canada for years to come.

Even suppose that all in this house were agreed, think of how strong the government's position would be if it followed another course, namely, that even if the premiers of five provinces in Canada, who represent about eighty per cent of the population, are wrong when they express concern about this matter, the government met them to discuss the subject so that any misunderstanding might be avoided before so important a step is taken.

After all, we have concern expressed by the premier of Nova Scotia in regard to one aspect of this problem. We have concern expressed by the premier of Quebec in regard to procedure on a very broad base.

An hon. Member: Politics.

Mr. Drew: When I hear an hon. member say "politics" I wonder to whom that expression is being applied?

An hon. Member: Duplessis.

Mr. Drew: If this matter is as important in the minds of hon. members as they claim it is, they will look for every possible way of avoiding any conflict. The way to avoid that is to bring the provinces together and find out whether there cannot be agreement before a course of this kind is followed which is certain to precipitate disagreement in the years to come.

An hon. Member: You are naive.

Some hon. Members: Oh, oh.

Mr. Drew: That laughter indicates cynicism in regard to this matter which is out of keeping with the importance of what we are discussing. We have had a perfectly clear undertaking that the provinces would be consulted. We have perfectly clear evidence from what we have read that certain provinces feel that there should be discussions before this proceeds any further. If we want agreement and if we want the whole constitution to be an indivisible Canadian constitution, let us make sure that we do not tear this constitution in two and that we do not just take part of the constitutional authority and leave the rest in a position where the dominion government and the provinces must still go to Westminster under the disabilities that are being created by this course.

The procedure is the important thing. The procedure has not yet emerged. Unless there is some reason for this being dealt with now, a reason which has not been stated to the hon. members of this house, the opportunity to amend our own constitution will be greatly hastened by postponing consideration of this resolution until the next session of parliament and until after all the provincial governments can be consulted in regard to the possibility of finding an acceptable means of amending our whole constitution which will cause no conflict in the years ahead.

Debate has proceeded on the main motion, on an amendment which was ruled out of order, on a further amendment and a subamendment. In all earnestness, regardless of what the government may feel to be their strict right in this matter, having regard to the unanimous desire expressed in this house that there be the right to amend our whole constitution here in Canada, I do urge the Prime Minister to leave no possibility of suggestion that there has been a breach of faith. I urge the Prime Minister to follow a course which will encourage the good will of the provinces. I urge the Prime Minister to bring the governments here and then, and only then, if agreement cannot be reached will any member of this house have the right to say that any province was opposed to an agreed procedure in amending our constitution. It is too early yet; there is nothing but guesswork, nothing but suspicion to justify the statement in this house by any hon. member that such a procedure would not work out, because no attempt has been made since the governments met in 1935.

Therefore in stating that we will oppose the subamendment because, desirable though its purpose may be, it is simply an amendment to a motion that will be disastrous in its consequences if it is proceeded with at this stage, I do urge the Prime Minister to avoid

any possibility of misunderstanding by agreeing to let this motion stand until the next session of parliament.

Mr. W. E. Harris (Grey-Bruce): The second intervention in this debate by the leader of the opposition (Mr. Drew) only emphasizes the point he made in his first speech and, as I recall it, the point he always made in the last parliament; that he agreed in principle with what we were doing, but did not like the method. That seems to be the unfortunate position in which we find the leader of the opposition almost every time we approach the problems of Canada. It is not that we ever depart from a principle which he wishes to maintain; it is simply that he disagrees with the method adopted.

Following the hon. gentleman in the debate, and following the hon. member for Lake Centre (Mr. Diefenbaker), I think it can be said that if there is one thing in common between those two speeches, and in fact the speeches of all members of the official opposition, it is that they agree that the Canadian constitution should be amended in this country. At one time when I heard the leader of the opposition make that statement I had some hope that he would proceed to help us do that very thing. However, he takes the view that, desirable though it may be, now is not the time and this is not the method.

Under those circumstances, Mr. Speaker, I think we ought to examine the arguments of the members of the opposition to see the nature of their objections and whether in fact they bear any relation to the motion before the house. In particular, I have no hesitation in following the hon. member for Lake Centre, because his address this afternoon was completely different from the address he began the other evening. There were some points in that part which, as he tried to say in his introductory remarks this afternoon, were hard to gather up; and upon reflection I fancy he will agree that perhaps they would have been better left unsaid.

Mr. Diefenbaker: What were they?

Mr. Harris (Grey-Bruce): I shall come to them; in fact I may refer right now to what was said. Throughout the whole of the last parliament, and at practically every opportunity in the country, the hon. member for Lake Centre was foremost in the presentation of what he felt were certain fundamental rights and freedoms of Canadian citizens, and in fact there is on the order paper a resolution in his name having to do with that subject. When I heard the amendment suggested by the leader of the C.C.F party (Mr. Coldwell) and moved by the hon. member for Winnipeg North Centre (Mr. Knowles) it occurred to me that almost the first person in this house who would stand up and vote for that amendment would be the hon. member for Lake Centre. If any single thing has been part and parcel of his criticism of this government, it has been his constant iteration that we have been exercising arbitrary power at one time or another, and I thought he might consider this a means of preventing us from doing so in future. Yet for reasons of his own he has taken the position that he will not support what on its face must be taken as a safeguard against the possibility of the use of arbitrary power.

When one reads sections 20 and 50 of the British North America Act one thinks it would have been likely, if the hon. member had to do it over again or perhaps if he had thought of it, that the hon. gentleman would have spoken about the great past of parliament. He might have drawn attention to you, Mr. Speaker, as a successor of the great Speakers of the past. He might have seen in your person Mr. Speaker Lenthall, who, on one memorable occasion, defended the rights of parliament against the exercise of arbitrary power. He might have summoned up all the great men of the past who have made parliament possible; and perhaps in conclusion he would have demanded an absolute restriction against this and succeeding parliaments extending their life. Those thoughts were in my mind, as I think they were in the minds of those who suggested these amendments, and I am quite sure they were in the mind of the Prime Minister (Mr. St. Laurent) in having his amendment moved this afternoon. Because if there is one great advantage we now possess, it is the advantage of periodically registering our approval or disapproval of those to whom we have entrusted the affairs of the country, and of being given the opportunity of putting the seal of approval upon them or of dismissing them if they have been either unfaithful or unsatisfactory. Perhaps we might think, also, when considering those who in the past made it possible for us to meet here, of those in Canada who, in more recent times, by what they did in two world wars, saved us from having arbitrary power imposed upon us from abroad. Under these circumstances I appeal to the hon. member for Lake Centre to reconsider the arguments he has advanced in this house, and to see if he cannot find it possible to support the amendment now before the house.

Now I should like to come to a few remarks which have been made by two other members of the opposition, in opposing the resolution itself. The hon. member for Eglinton (Mr. Fleming), having reiterated the position of his leader that of course they agree that the

amendment of the Canadian constitution should be carried out in this country, went on to say:

> But, sir, to say that we ought to have in Canada complete power to amend our constitution as we see fit is a very different thing from saying that this parliament ought to have unlimited power to make amendments to the constitution.

By the use of the word "unlimited" the hon. member entirely passed over the wording of the resolution and committed an error which unfortunately was continued by a subsequent speaker on the other side of the house. Let us examine the resolution to see how much the hon. member was in error when he used the phrase "unlimited power to amend the constitution of Canada in this parliament".

The resolution reads in part as follows:

> The amendment from time to time of the constitution of Canada—

I agree that it is unlimited in time, and the member for Eglinton (Mr. Fleming) is correct in that respect. The resolution continues as follows:

> —except as regards matters coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces,—

It seems to me, sir, there are sixteen subheadings under section 92 of the British North America Act. Section 93, I believe, deals with education. Those seventeen subjects are seventeen exceptions to the power to amend as contained in this resolution; so that while the member for Eglinton may be right in one instance, he is wrong in the following seventeen.

Now, sir, if we will proceed with the resolution, it goes on to make a further exception "with regard to the rights or privileges by this act granted or secured to the legislature of a province." That is a further exception upon our unlimited power to amend the constitution in this parliament. This makes the eighteenth exception to our power to amend our constitution. Then it goes on to say:

> —or as regards rights or privileges by any other constitutional act granted or secured to the legislature of a province,—

This makes the nineteenth exception to our power to amend the constitution in this parliament.

Then, there are two similar exceptions with respect to the rights and privileges granted to the government of a province, so that there are twenty-one exceptions to my hon. friend's so-called unlimited power of this parliament to amend the constitution.

Mr. Gibson (Comox-Alberni): He is five per cent right.

Mr. Smith (Calgary West): That is the independent view, is it not?

Mr. Harris (Grey-Bruce): There is also the clause with respect to schools which makes the twenty-second exception to our right to amend the constitution in this parliament. There is also the exception with regard to the use of the English or French language which makes the twenty-third exception to the power of this parliament to amend the constitution of Canada. If the member for Eglinton is right in the first instance as to time, he is wrong twenty-three times thereafter.

Unfortunately, the new member for St. John's East (Mr. Higgins) was obliged to follow the hon. member for Eglinton and assumed he was right when he said there was unlimited power in this parliament as the result of the amendment. Further than that, the hon. member for St. John's East raised one question with respect to his own province which I think it is desirable to settle at this moment. He spoke of the compact theory as it applied particularly to his own province. The hon. member for St. John's East referred to the memorandum of agreement between Canada and Newfoundland as to union. He asserted at one stage that, because of this agreement and because of the compact theory which he thought it established, the province of Newfoundland had rights secured under this agreement so that the British North America Act might not be amended by this parliament without the consent of the provinces.

I should like to draw the attention of the house to the fact that section 3 of the memorandum of the terms of union with Newfoundland reads as follows:

> The British North America Acts, 1867 to 1946, shall apply to the province of Newfoundland in the same way and to the like extent as they apply to the provinces heretofore comprised in Canada, as if the province of Newfoundland had been one of the provinces originally united, except insofar as varied by these terms and except such provisions as are in terms made or by reasonable intendment may be held to be specially applicable to or only to affect one or more and not all of the provinces originally united.

Then, by section 17 of that memorandum, under the heading "Education" there is a specific clause about education in Newfoundland. There is nothing in the agreement which asserts the proposition that the British North America Act has been given to Newfoundland in any different way than to the other provinces. In other words, there is no agreement that the British North America Act might not be amended in due course in the proper manner. On the basis of this agreement and the special interest in education granted to Newfoundland by section 17—

Mr. Browne (St. John's West): May I ask the hon. gentleman a question? Newfoundland being a dominion and defined as a dominion

under the Statute of Westminster, did it not make an agreement with the Dominion of Canada when those terms were settled? Was it not an agreement, therefore, between those two countries?

Mr. Harris (Grey-Bruce): I think perhaps I can answer that by referring to the comments of the hon. member's seatmate, the member for St. John's East (Mr. Higgins). Somewhat to my surprise, he said that the agreement between Newfoundland and Canada was an agreement between the peoples of those two places and had been approved by their people. To my knowledge, neither of the hon. gentlemen had made that argument before he entered this house.

Mr. Fleming: That is no answer to the question.

Mr. Harris (Grey-Bruce): The terms of the agreement between Newfoundland and Canada are contained in the pamphlet, "Report and Documents relating to the Negotiations for the Union of Newfoundland with Canada." Newfoundland became a province of Canada in precisely the same respect as the other provinces, subject only to a variation of the terms as may be set out in the agreement.

Mr. Fleming: But as a result of an agreement; that is the point.

Mr. Harris (Grey-Bruce): Nobody denies there was an agreement. It is there, and it has been tabled in the house.

Now, sir, we come to the references of the hon. member for Eglinton, and throughout his speech he was quoting from the various leaders of our party in the past, evidently seeking to convince the house that the Liberal party has departed from former policies. I do not suggest that the quotations he gave were inaccurate, nor do I suggest they were unfairly taken from the various speeches that he used. I do suggest, however, that there is a radical difference between an abstract discussion on an abstract principle, such as a general resolution of this house, and the more immediate duty of legislators who are confronted with a problem which has to be solved.

In many of the cases which my hon. friend has cited, there were discussions on resolutions as to the desirability or otherwise, and as to a final method of amending the Canadian constitution. I should like to draw to the attention of the house not what has been said under those circumstances, but what has been done by the governments of Canada in the past with respect to amending the Canadian constitution. In particular, I should like to refer to the action taken by the very gentlemen to whom the hon. member referred.

[Mr. Browne (St. John's West).]

In the first instance he quoted Sir Wilfrid Laurier, and I intend to refer to what Sir Wilfrid did as well as to what he said. The first occasion on which Sir Wilfrid had to deal in this house with an amendment to the Canadian constitution was in 1886. That was an address to the United Kingdom parliament for the purpose of obtaining for this parliament the power to grant representation in this house to the Northwest Territories. It cannot be alleged that that was an academic discussion. It cannot be alleged that whatever action was taken might not be of detriment, in theory, to those provinces who might rely upon the compact theory. Throughout the whole of this debate, Sir Wilfrid Laurier made no suggestion that the provinces should be consulted.

To indicate what the public as a whole thought of that particular action, the following year there was an interprovincial conference at which most of the then provinces were represented. Remember, this was only twenty-one years after confederation. No one at that interprovincial conference suggested that the parliament of Canada had gone beyond its legislative right in seeking that power the previous year. It is a long time from 1886 to 1915, but I will speak of that year and then go back to 1907.

In 1915 there were further discussions in this house having to do with the representation of the western provinces, both in the house and in the Senate. Once again it could be argued that what they were doing might in some sense upset the balance of confederation in the representation of members from the various provinces. One person in that debate did suggest that it might be desirable if they did consult the provinces. Sir Wilfrid Laurier, in speaking, made no mention of that matter. He did not support the contention at that time that we needed to consult the provinces on that particular question. Yet it cannot be denied that what parliament was doing was in fact amending the constitution of Canada by that proposal. I should like to read what he did say in that 1915 debate, and this will be found at page 1460 of *Hansard* 1915:

> It has been a grievance with the maritime provinces that their representation in the House of Commons has continued to decrease from decade to decade. It has been explained, and it is the true explanation, that at the time of the formation of confederation no one anticipated the extraordinary developments which were to take place west of lake Superior and in consequence of which the representation of the maritime provinces in the House of Commons has decreased from decade to decade. We had to deal with the matter in 1902. At that time the province of New Brunswick, in particular, felt very much the diminution in representation which it had to undergo. It was a special grievance in the province of Prince Edward Island, which always contended that under the terms of confederation they should at all times

be entitled to six members. Whatever may be the merits of this contention—it is true the record does not show it—I believe that what is now proposed is a fair compromise, and ought to be so accepted by all the provinces, so that henceforth, whatever may be its fall in population, the province of Prince Edward Island shall be entitled to a representation of four members.

Nowhere in that speech did he suggest that the provinces need be consulted on that particular motion to amend our constitution.

In 1916, once again, we have an amendment to the constitution in the sense of extending the life of parliament. Laurier consented, as I understand it, and made a speech on the occasion, but did not suggest that the provinces were interested in that particular phase of our constitution. So that on those three occasions on which action was taken in this house, at no time did he suggest that the action being taken was contrary to the interests of the provinces. It is only fair to say that in 1907 all the provinces were consulted, but they had a special interest in the financial part of the British North America Act, which was the subject of that particular amendment.

That is not the record only of the leader of the Liberal party. It happens to be the record of both Sir Robert Borden and Mr. Arthur Meighen when they were leaders in this house. Sir Robert Borden went through the 1915 and 1916 constitutional debates without saying that the provinces should be consulted with respect to those particular matters. In 1920, when he was about to leave the government, preparation was being made for another address to the United Kingdom parliament, and in this particular matter no consultation with the provinces was suggested. Mr. Meighen, when he became prime minister, continued those representations to the United Kingdom but did not in fact consult the provinces, nor in the debate did he suggest that consultation was necessary. That particular amendment had to do with the obtaining for this parliament of the right of giving extraterritorial effect to our legislation. It is quite true that the address was not passed, for those reasons which the Prime Minister has given. But the fact that these Conservative leaders did not think it necessary to consult the provinces is, I think, significant of their belief in that particular matter.

Now we come to 1924 when the late Ernest Lapointe had to deal with the very same subject of giving extraterritorial effect to dominion legislation; and on that occasion Ernest Lapointe did not suggest that the provinces should be consulted. On the contrary, he was faced with the argument in a most particular manner and I should like to read to you from what he said in order to show you how he felt on the subject. The premier of Ontario, who at that time was the leading exponent of the compact theory, had intervened in the discussion of this resolution by making a speech at that time, and this is Ernest Lapointe's answer, which is to be found at page 4778 of *Hansard* of 1924:

> I now desire to refer to a statement which has been made concerning this matter by the hon. premier of Ontario, at a meeting held at Prescott on the 12th of July last. He stated that the adoption of this resolution was a blow to the constitution and an infringement of the rights of the provinces, which ought to be consulted every time an amendment to the British North America Act was sought. The charge is not justified, and is not altogether fair. My only answer is that the provinces were in no way interested and in no way concerned in our demand of the imperial parliament to recognize that our purely federal legislation has an extraterritorial effect.

On those occasions on which the hon. gentlemen quoted by the hon. member for Eglinton (Mr. Fleming) had to face concrete cases to be dealt with by this house; in every case having to do with the federal jurisdiction, none of them thought it necessary, and most of them refused to agree, that the provinces need be consulted.

I should like to continue the quotations down to 1931, when there was a discussion, this time not on a concrete case, I agree, but on a resolution moved by Mr. Woodsworth, that it was desirable that we should have the right to amend our own constitution. It is interesting to see what the late Mr. Guthrie—at that time minister of justice, I believe—had to say in this house. Mr. Guthrie preceded his remarks, which are to be found at page 1473 of *Hansard* of 1931, by saying:

> . . . I agree that the time has come when we should seriously consider this whole question of amendments to the Canadian constitution.

Later in his remarks he goes on:

> My contention has always been that in all matters appertaining to the legislative jurisdiction of the parliament of Canada the parliament of Canada has the right, and should have the right expressed, to make such amendments to the constitution as it shall see fit.

And in the same debate both the hon. member for Eglinton (Mr. Fleming) and the hon. member for Lake Centre (Mr. Diefenbaker) have taken a quotation from Ernest Lapointe. The latest quotation given by the hon. member for Lake Centre is as follows:

> We really do not know what are the amendments in respect to which the assent of the provinces should be first received and those in respect to which such consent is not necessary.

Let me go on and quote what he did say on the particular subject of this kind of resolution. At page 1479 he is reported as follows:

> . . . to insist on having the consent of all the provinces to every change would be asking almost an impossibility; to ask that either British Columbia in the west or Prince Edward Island in the east

should be able to block a change with which it is essential for the federal power to go ahead within the limits of its jurisdiction on certain matters, I do not think would be right.

I therefore sum up this part of my remarks by saying that a great many of these discussions were of abstract resolutions having to do with the amendment of the constitution; and it is quite true to say, as the leader of the opposition (Mr. Drew) has said, that in those discussions everybody was considering a comprehensive rewrite, I think the word is, of the Canadian constitution. But these were abstract discussions. In the House of Commons we are engaged in doing the business of Canada and perhaps doing it piecemeal at times. In this chamber we are under the necessity of doing something about a particular subject rather than discussing general subjects all the time.

I think it was the hon. member for St. John's East (Mr. Higgins) who first wanted to know why the haste in this particular matter. The hon. member for Lake Centre (Mr. Diefenbaker) and the leader of the opposition (Mr. Drew) have repeated that question. But it is the leader of the opposition and the hon. member for Lake Centre and all the hon. members of the opposition who have repeatedly said: "Of course we agree with the principle. Of course it is not a matter of dispute that we should amend our constitution in Canada." In fact the hon. member for Lake Centre suggested that for the last fifteen years, at least, it has not been a matter of political disagreement in this country.

There is no one in this house who has gone through law school who has not at one time or another debated this subject. I recall a debate in law school in my first year, in which it was unanimously agreed that we should have the right to amend the Canadian constitution in Canada. But when I realize that there are hon. members here who were not born at the time we passed that resolution I am of opinion that it is time the Canadian parliament did something about it.

I should now like to deal with some of the remarks of the hon. member for Kamloops (Mr. Fulton). The hon. member indicated fairly clearly that since he came from British Columbia it was not possible for him to subscribe wholeheartedly to the compact theory. In his address the hon. member spent most of his time conjuring up the most terrible consequences which might follow upon the passage of this resolution. Having recited one or two steps which were taken in the past parliament to amend the Canadian constitution he went on to indicate what he thought our next steps might be, and he ended in this way, as reported at page 883 of *Hansard*:

[Mr. Harris (Grey-Bruce).]

This is the final step in a series of steps, culminating in the delivery of the constitution of Canada, tied and bound, to the sole and exclusive custody of this federal parliament.

Sir, I cannot imagine the day when such a conclusion will be reached, no matter who may be in office in this country. Let me say that it is neither the intention nor the desire of any member of this party that we should come to that end, nor that we should take from the provinces not just the right to amend their constitution, but not one single part of their jurisdiction unless for their own reasons they wish to give it to us under terms acceptable to everyone.

In his argument the hon. member for Lake Centre pointed to a change in section 51 of the British North America Act, which was made in 1946. He said that that was a new departure and something that had not been contemplated by the provinces, and that they should have been consulted. I suggest, sir, that section 51 as amended had to do only with the representation in this house. It did alter the method of computation; it did change the number of hon. members in the house; but, sir, no one can suggest that the result was detrimental to any province or to any interest in any province.

Mr. Diefenbaker: I was quoting from Dr. Ollivier, who had been placed before the house as an authority. In 1935 he gave evidence to that effect.

Mr. Harris (Grey-Bruce): That only confirms what I said earlier, or if I did not say it I intended to say it. Hardly a speaker of the opposition has actually pledged his own word that he believes in the compact theory. It is easy to quote someone, but as I understand the rules of the house, when one does that he does in fact indicate a personal belief in the quotation. Yet I point out that not a single member of the opposition, except the leader, said that confederation was a pact and that he believed unequivocally in that theory.

Let me return to the remarks of the hon. member for Lake Centre. I said that the amendment of 1946 had certain consequences but did not have others. There is no question whatever that the prior amendments to the constitution of 1915 and 1886 were quite different in principle to the one of 1946. If, at that time, any of the provinces had felt that this was a matter in which they had some vested interest I am sure they would have had more right to feel aggrieved in those years than they could have had in 1946.

I should like to conclude with the hon. member for Kamloops by pointing out that to further his imaginings of dire results he,

along with other hon. members of the opposition, did suggest, by reference to the Prime Minister's speech of May 19, that there had been something in the nature of broken faith connected with this resolution. The leader of the opposition has repeated that. He quoted part of the address of last February; but every hon. member of the opposition has pointed to the address of May 19 and indicated, perhaps not directly, though in one case directly, that he believes the Prime Minister had been guilty of a breach of a pledge, and suggested bad faith in this resolution. It seems to me, sir, that some hon. members will never learn. In the last parliament there was hardly a debate in which my hon. friends did not suggest bad faith. They suggested that there were some dark and devious intentions behind the simplest of words in bills, and, throughout the whole four years, they tried to convince the Canadian people that there were motives which were not disclosed, such as the leader of the opposition suggested this afternoon. I thought, in fact, I am sure, that suggestion of bad faith in a leader in public life in Canada had been consigned to oblivion on June 27. If the address of May 19 was the only address made by the Prime Minister an hon. member of the opposition would feel justified in asking for an explanation of it. An explanation has been given. But it was not the only address that the Prime Minister made during that campaign touching on the constitutional question. I should like to read from another address he delivered in Kingston on a later date than the one to which reference has been made. He said:

> The Liberal party has always stood for the maintenance of the Canadian constitution as a federal constitution. And we have always stood for proper respect for provincial rights.
>
> Now, in the early days of confederation, many Liberals felt that the Conservative party was trying to centralize too much power at Ottawa, and the great Liberals of the 19th century and the early years of this century, with Laurier at their head, gained great fame for upholding the rights of the provinces as set out in the constitution.
>
> But the Liberal party never took the view that the powers given by the constitution to our national parliament should be placed under the control of the provincial legislatures or provincial premiers.

Mr. Diefenbaker: What was the hon. member quoting from?

Mr. Harris (Grey-Bruce): A speech delivered by—

Mr. Diefenbaker: But who gave you the speech? Is it a press report?

Mr. Harris (Grey-Bruce): It is a speech made by the Prime Minister at Kingston on June 18. What I have just quoted may be used as an illustration of what seems to be the difference of opinion as to the manner in which this resolution should be dealt with. No one has suggested from this side of the house, and no one will suggest from this side of the house, that any action should be taken by parliament, or certainly by this government, which would infringe upon the rights and privileges of the legislatures of the provinces. Not only have we not suggested that, but we have put in the plainest words in the resolution a provision to that effect.

On the other hand the hon. member for Lake Centre (Mr. Diefenbaker) suggested throughout his speech that what is needed now is not so much an amendment of this kind, but that we should have a constitutional convention, perhaps, to rewrite in large part our constitution.

Mr. Diefenbaker: I never said that. I never said anything about rewriting the constitution. I referred to considering the necessary amendments for recommendation, the same plan referred to by Mr. Mackenzie King and Mr. R. B. Bennett.

Mr. Harris (Grey-Bruce): I quite agree that the hon. member for Lake Centre restricted his suggestion to that effect. But constitutional conventions are something which have been known to many countries. Constitutional conventions are different from ordinary conferences between premiers and a prime minister. They are conferences resorted to at a time when there has been a serious breakdown in the working of the constitution of a country, or perhaps when there has been a more violent change in government than is usual in this country.

I believe every member of the house would agree that not only are the people of Canada happy, contented and prosperous, but that, in large measure, they are working their constitution out so that it will best serve the interests of the Canadian people.

We are here asking for an amendment to the constitution. Therefore, as everyone has said, we consider amendments necessary. But the constitution has not yet reached the point where a breakdown is imminent—and I doubt very much if it ever will. A constitutional convention along the lines I believe the hon. member has in mind would at this time probably create that confusion which he says he wishes to avoid.

The difference in approach between the government and the official opposition on this resolution is easily understood. Every provincial premier and every attorney general, by reason of his oath of office and by reason of his election, is charged with the responsibility of protecting the interests of a provincial government, and the interests of the people in his province. We are sent here as members—in my case from Grey-Bruce—to

represent our local constituencies, our provinces and the dominion. We must see that provincial interests are not improperly infringed upon—in fact we must see that they are not infringed upon in any respect.

But that is a different matter from saying that here in the House of Commons we must take the attitude that our first duty is in the protection of those interests. On the contrary our first duty is to see that our rights and privileges are equally preserved for the future parliaments of Canada—and in my mind it is not difficult to balance the two. I should not like to suggest that it is the duty of an opposition or a government to think first of provincial rights. I would rather suggest that our attitude should be that, as members of the House of Commons from our local communities and our respective provinces, we should see that the government and the executive of Canada would not improperly discharge their duties by attempting in any way to infringe upon provincial rights.

As I said before, we have an equal duty to maintain, support and uphold the rights and privileges of this parliament, and consequently to be in a position to exercise those duties which the Canadian people have entrusted to us.

Mr. Clarence Gillis (Cape Breton South): Mr. Speaker, we have had a long and learned discussion on this resolution, and the subsequent amendments. I am frank to admit that I have learned a great deal from what has been said, and I am sure most hon. members would speak in a similar fashion.

We have listened to a legal analysis of the resolution; we have heard a good deal of historical background from hon. members who are capable of analysing the matter from that viewpoint. My reason for taking part in the debate is to attempt to tell hon. members exactly the way I view this resolution, from the standpoint of the man in the street. Because, in the final analysis, if any constitutional amendment does not bring about the greatest good for the greatest number, it is the man in the street who will be most affected.

In my opinion the resolution moved by the Prime Minister (Mr. St. Laurent) required no amendment, despite the fact that the party to which I belong did offer one. After listening to this discussion for several days, and after a careful reading of the resolution, I am convinced that we are not at this time amending the constitution. The Prime Minister has placed before the house a resolution in which he asks members of the House of Commons if they are prepared to take the responsibility of amending the constitution in Canada. If they are, then he wishes to have a change in section 91 to give us that right. No amendment to the constitution is involved; any amendment will come afterwards. That is my understanding of it. The government is asking merely for the right to amend the constitution. Following that, any amendment will be made by the members of the House of Commons. So what are hon. members afraid of? Are they afraid of themselves?

This is something that has been needed in Canada for many years, if we want to be masters in our own home. We do not want unemployment insurance and other national legislation held up year after year because ten little Canadas cannot agree. Each one wants to hang on to its own jurisdiction.

After listening to the discussion I am convinced that the amendments which have been offered were not necessary. The argument has been offered by the official opposition that this resolution has been presented in great haste, and that the provinces should be consulted. I believe the Prime Minister made it quite clear that before any amendment to the constitution would take place a conference of the provinces would be called and a formula worked out as to how such amendments would be made. That provides for a dominion-provincial conference after we have obtained the right to amend the constitution, and before it is amended.

Second, the people of this country have been led to believe from the discussions here and the reports in the press that the constitution had never been amended before unless there had been a dominion-provincial conference or agreement by the provinces. That is not so. The constitution of Canada has been amended eleven times in the last eighty years and on eight of those occasions the provinces were not consulted. On one occasion only four of the provinces were consulted and on another occasion British Columbia disagreed. Despite that there was no revolution, none of the provinces pulled out. The amendments were made and Canada went on and has developed. I just wanted to stress that we are not doing something that is new.

The fact of the matter is that we are adopting a most democratic procedure because we are placing responsibility where it belongs, on the members of the House of Commons. If and when amendments are made in the future the formula will have been worked out. The amendments will be made here and not as they have been made on eight occasions in the past with the dominion government deciding what is going to be done without consulting the provinces and then the amendments being made in another country.

I think the procedure suggested by the Prime Minister is one hundred per cent more democratic, more in keeping with Canadian mentality, than the procedure that has been followed in the past.

The hon. member for Lake Centre (Mr. Diefenbaker) made a wonderful address, as he always does, but I found it rather difficult to follow him at times. There is one point I should like to clear up in connection with something he said this afternoon. He looked over at the leader of this group, shook his finger at him and said that the late J. S. Woodsworth, the founder of this party, had said that no amendments to the constitution should be made unless the provinces were consulted.

Mr. Diefenbaker: On a question of privilege, that statement was not made. I simply quoted the amendment that Mr. Woodsworth had moved when Mr. Maclean moved a resolution to the effect that parliament should have the authority to amend the British North America Act. I simply said that Mr. Woodsworth moved an amendment stating that that should be done only with the consent of the provinces.

Mr. Gillis: If the hon. member had let me finish, it would not have been necessary for him to get up. He did not go far enough back into history, or he went back too far. The resolution he referred to was moved in 1925, but the resolution I am going to refer to was moved in 1931. After more experience and a more mature judgment, on May 11, 1931, Mr. Woodsworth moved the following motion:

> That, in the opinion of this house, it is desirable that Canada should have the right to amend her own constitution, but that in proceeding to make any amendment, scrupulous care should be taken to safeguard the rights of minorities.

That is exactly the position we are taking today. Members of His Majesty's loyal opposition have taken the position that there is great haste in doing this. They want to know why we are in such a hurry, why the necessity for this. I do not think there has been great haste. I think this matter has been hanging in the sling since 1935. It is unfinished business.

The dominion-provincial conference of 1935 decided that we should do what is being done here. That conference suggested, first, that changes concerning parliament and federal matters only should be made by parliament; second, that changes affecting some provinces should be made only with their consent; third, that changes affecting all provinces, such as minority rights and education, should be made only with the consent of the large majority of the provinces. Thus the procedure to be followed would depend upon the nature of the proposed change.

That formula was worked out at that time and the dominion government had every right to go ahead and do what the Prime Minister is now doing. There were the instructions. Instead of this being done in great haste I see this in the same perspective as I would someone who was climbing a mountain. He gets to the top and he cannot go any farther. The dominion government climbed the mountain and they have been sitting on the top since 1935. They were afraid to go back and they were afraid to go forward. I compliment the Prime Minister upon climbing to the top, upon taking over where his predecessor left off. He is prepared now to go down the other side and have a look at the valley.

There has been no great haste. The reverse is true. This has been hanging in the sling since 1935. I say that we should do this thing if for no other reason than the position in which the Canadian delegates to the United Nations have been placed. They have had to refrain from voting on resolutions dealing with human rights and fundamental principles or with the instruction and teaching throughout the country of matters coming under the United Nations because the national parliament under the present arrangement cannot deal with these matters without consulting the provinces. Our delegates have been placed in an awkward position when attending this international forum. They have had to tell delegates from other parts of the world that they cannot vote on these resolutions even though they represent the national government of Canada.

Mr. Speaker, I move that the debate be adjourned until later this day.

Motion agreed to.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

BUSINESS OF THE HOUSE

SUSPENSION OF STANDING ORDER 28 FOR THIS DAY

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, under standing order 28, on Thursdays and Fridays when the order of the day is called for the house to go into committee of supply or of ways and means, Your Honour leaves the chair without putting any question. When this Thursday was selected for the motion to go into committee of ways and means on the budget, it was

not intended in any way to deprive hon. members of the privilege they usually exercise to debate that motion. In order that they may not be deprived of that opportunity, I would ask leave of the house to move:

That the provisions of standing order 28 respecting the committee of ways and means be suspended for this day.

If the motion is adopted, the motion to go into committee of ways and means can be made as if this were an ordinary day, and can be debated in the usual manner.

Motion agreed to.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

Hon. Douglas Abbott (Minister of Finance) moved:

That Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

He said: Mr. Speaker, in the special circumstances in which I am proposing this motion, hon. members will neither expect nor desire me to give as full or as complete a review of our economic and financial position as is customary in bringing down the annual budget. Although this is a new parliament, and more than one-third of our present members are new members, I am sure that almost all hon. members, old as well as new, are acquainted with the general trend of the exposition and with the broad lines of the proposals which I presented to the last session of the previous parliament. My task this evening, therefore, can properly be limited to three things.

First, bringing up to date the general analysis of our economic and financial position and prospects;

Second, giving the house certain revised statements and estimates of our revenues and expenditures; and

Third, re-introducing, with a few modifications, the tax changes which I proposed last March.

ECONOMIC REVIEW

First, then, may I bring up to date the general economic review which I gave to the house nearly seven months ago. A great deal has happened in this period of time. Some trends that seemed obscure then have become clearer now, and some new developments have occurred. But taken as a whole the general assessment of the situation which I made last March has proved to be sound, and the changes in taxation which I proposed were in the right direction, and I think, about right in degree.

[Mr. St. Laurent.]

In so far as the trend of events on the domestic side of our economy is concerned, I have no changes to suggest in the general conclusions I had reached. Production, employment and incomes are continuing at levels as high as or higher than those upon which my budget proposals were originally predicated. Prices and the cost of living have held well within the limits I forecast. Variations in the general level of wholesale prices and in the cost of living index have been of a fractional character. The latest figure for the wholesale price index is one per cent below a year ago, and for the cost of living index two per cent above a year ago. Average hourly earnings and average weekly earnings in industry are both up about seven per cent over a year ago. So far as one can see at the moment, the net effect of the recent world-wide realignment of currency rates does not require any significant revision in my estimate that the level of prices during the current fiscal year will not vary significantly from that of last year.

It is obviously more difficult to see further into the future. Our total exports, which is one of the basic supports of our economy, were higher during the most recent twelve months' period than in any other peacetime year in our history. Nevertheless, some declines in our overseas export markets have already occurred and some further declines can hardly be avoided. The government will do everything in its power to limit this decline in overseas trade but much will depend on the progress which our overseas customers make in overcoming their dollar difficulties.

The decrease in overseas exports has so far been more than offset by increased sales to other markets, particularly the United States. Any change in economic conditions in the United States will directly affect the level of our exports to that country. Any sharp downturn in American economic activity and in American willingness to import cannot but have sharp and embarrassing repercussions all over the world. Despite the decline in the rate of activity which took place in the earlier part of the year, United States production and incomes have been maintained at levels which have rarely been exceeded in the past. Furthermore, we must recognize the extent to which the United States has moved during the past decade toward adopting measures designed to moderate swings in economic activity. Nevertheless, we cannot afford to overlook the possibility of short run declines in the absorptive capacity of the American market.

It is with these possibilities in mind that the government is actively reviewing

measures to counteract any serious downturn that might develop in our export markets and in the level of economic activity at home. As hon. members know, we have already taken steps to give still greater encouragement to housing construction, and we are in the midst of discussions with the provinces regarding both the magnitude and the timing of extensive work on the trans-Canada highway. Other development projects are also under review, so that they may be undertaken at the most appropriate time. We have also been considering measures to deal with any special situations or difficulties which have already emerged or which may emerge even though general economic activity remains high.

Nevertheless, for the balance of this fiscal year, we continue to expect high levels of employment and income, and see no reason to change the financial and fiscal policies embarked upon earlier in the year.

THE INTERNATIONAL ECONOMIC OUTLOOK

The most significant change in economic conditions since my budget speech last spring has been in the field of international trade and finance. Events have followed quickly upon one another and reached their climax one month ago with the announcement of the devaluation of the pound sterling by 30½ per cent in relation to the United States dollar. This action was followed closely by a widespread series of devaluations by other countries. The adjustments which have taken place during the past month constitute a realignment of currencies in relation to the United States dollar, which is greater, both in scope and degree, than anything that has ever taken place before. These far-reaching changes abroad created an entirely new situation for Canada. It was immediately necessary to consider the position of the Canadian dollar and on September 19 I announced to this house the decision of the government to reduce the parity of the Canadian dollar by what works out at 9·1 per cent.

I should like to review very briefly the developments which led up to these events. Hon. members will recall that the announcement of the United Kingdom reserve position early in July revealed that a sharp fall in the dollar receipts of the sterling area had taken place during the second quarter and was still in process. The consequent drain on the central gold and dollar reserves of the sterling area had reached alarming proportions, in spite of the assistance which was being received under the Marshall plan.

This serious deterioration in the dollar position of the sterling area was much more than an isolated problem of the United Kingdom. This was a critical development in the economic relations between North America and the whole sterling area. Consequently, it was immediately decided that the situation should be examined by representatives of the United States, the United Kingdom and Canada as well as by the members of the sterling area. The discussions held early in July between the secretary of the United States treasury, the United Kingdom chancellor of the exchequer and myself as Canadian minister of finance, were followed by a meeting of commonwealth ministers of finance.

At these talks consideration was given both to short-term measures for reducing the heavy immediate drain on the central sterling area reserves and to the lines along which the longer-term and more fundamental solutions should be sought. In order to reduce the immediate dollar outgo, the commonwealth members of the sterling area agreed to endeavour to limit their dollar buying during the 1949-50 fiscal year to about 75 per cent of the 1948 rate. Canada, not being in the sterling area, of course took no part in reaching that decision. With regard to the longer-term and more positive approach, it was agreed that the objective for all of us must be the achievement of a pattern of world trade in which the dollar and non-dollar countries can live together within one single multilateral system—a system under which a balance will be achieved by the expansion and not the contraction of trade. As the Canadian representative, I was particularly anxious that this should be the common purpose.

It was not possible in the time available at the London talks to translate these aims into concrete measures. It was therefore agreed that this task should be resumed at tripartite economic discussions to be held in Washington in September. Hon. members are familiar with the results of the Washington meetings. I need only recall the highlights, and perhaps point to some of the significant features of what took place. I have already told hon. members about the excellent spirit of co-operation which prevailed, and about the deep realization on all sides of the importance of the issues which were at stake.

The discussions resulted in a number of specific arrangements that would help to reduce the immediate impact of the dollar deficiency, such as arrangements for ECA financing, stockpile purchases, and so forth. The main attention, however, was directed to the underlying causes of the dollar shortage and to a re-examination, by each of the three participants, of their policies in the

light of these causes. It was necessary to endeavour to change the trend of events away from the repeated dollar crises which were threatening to divide the western world into two economic blocs. It was necessary to achieve an increasingly better balance in the trading relationships between the dollar and non-dollar countries instead of the widening gap with which we were being confronted. It was clear that the remedy was not to be found in the extension of further extraordinary financial assistance beyond that which was already being given under the Marshall plan and the Canadian loan. It was agreed that the solution must be sought primarily in a rapid and substantial increase in dollar earnings through an expansion of trade.

In the achievement of this necessary increase in dollar earnings, each side has an appropriate part to play. A common responsibility was clearly recognized in the Washington communiqué. The first essential, of course, was that the deficit countries should pursue policies and create incentives which would make it possible for them to expand greatly their sales to dollar areas. The dollar countries in turn would have to facilitate these efforts through the maintenance of conditions and the removal of barriers which would provide adequate opportunities in their markets. In particular, the surplus countries would have to refrain from measures which would frustrate the attempts of the deficit areas to earn their way.

I think hon. members will agree that this course of policy, charted at the Washington conference, is the guide which governments should seek to follow. We must not underestimate the magnitude of the problem. In the Washington talks it was understood that extraordinary aid from North America will come to an end in 1952. The deficit countries will have to overcome not only their present dollar drain, but over the next few years get themselves into a position where they can do without the assistance which they are now receiving.

The initial steps in the achievement of this task have been taken. The major devaluation undertaken by the United Kingdom, by virtually the whole sterling area and by many other countries, is an integral part of their determination to correct the disequilibrium in their trade by selling more to the dollar area. It gives their producers a new and greater incentive to sell in dollar markets. Where their prices were not competitive, it provides new scope to make them so. It is, of course, much too early to say what the full effects of the new situation will be.

All of us, the dollar countries and the non-dollar countries, must do everything possible to enable these measures to achieve the result which is intended. On our part, we must be willing to receive the goods which our customers overseas should now be able to send to us. If we place restrictions in the way by increased tariffs or otherwise we shall defeat the purpose which, we all know, must be accomplished in our own interests.

It can be expected that a considerable part of the increased imports from the sterling area and western Europe will replace supplies which we have been buying from dollar sources. To this extent they will assist us in meeting our own dollar problem and help to bring our trade into better balance. It is possible that a part of the increased imports from overseas may result in greater competition with some of our domestic producers. Some adjustments may be necessary but this will be a small price to pay compared with the inevitable results which would flow from the inability of our customers to earn more dollars in our country. I do not need to remind hon. members how heavily the prosperity of our great primary industries, of agriculture, forestry, mining and fishing, are dependent upon adequate markets overseas. We must not expect that these markets will be maintained indefinitely through credits and gifts from this continent. Sooner or later our customers must be in the position where they are able to pay for what they buy from us, out of the proceeds of what they sell in dollar markets. We cannot afford to be short-sighted about a matter so vital to the welfare of every industry and every region of this country.

In this general problem of how to achieve a better balance in world trade, the position of Canada is of course not the same as that of the United States. We are a dollar country, but we have our own dollar problem. We are a member neither of the dollar area nor of the sterling area, though we are inextricably linked to both. We have a large trading surplus with the sterling area and western Europe and a large trading deficit with the United States. The United States has, as for many years in the past, a substantial export surplus with the rest of the world. In Canada we now have a very small margin of safety in our international accounts as a whole. Our imports from all sources, in the broad sense of that term, are today almost as large as our exports. This is the situation which we must constantly keep in mind. Our policies should work in the direction of attempting to achieve a relative

increase in our imports from non-dollar sources and an expansion of our exports to the United States. We should look to positive measures of this kind rather than to restrictive devices for the means to overcome our dollar difficulties and to achieve a better balance in our trade.

GOVERNMENT ACCOUNTS: 1948-49; 1949-50

When I brought down the budget in March, I gave to the house a series of statements showing revenues and expenditures for the fiscal year ending March 31, 1949, and estimates for the year ending March 31, 1950. The accounts for the past year—that is, the year ended March 31, 1949—have since been closed and we are now more than half way through the current fiscal year. I am therefore in a position to give to the house the final figures for 1948-49 and closer estimates of probable revenues and expenditures for the year 1949-50.

All details of our financial operations for the year ended March 31, 1949, are shown in the public accounts for that year, which are now in the hands of the king's printer and should be ready for tabling in the near future. The final figures of our revenues turned out to be $2,771 million or $3 million more than I estimated last March, and the final figures of expenditures were $2,176 million or $17 million less than I had estimated. Our surplus for last year was therefore $595 million, or $20 million greater than my earlier estimate.

For the convenience of hon. members and with their consent, I should like now to table and have printed as an appendix to today's *Hansard* the usual tables showing details of revenues and expenditures for the fiscal year 1948-49 and comparable figures for each of the four preceding fiscal years, together with the balance sheet as at March 31, 1949.

I turn now to operations of the current fiscal year ending March 31 next. Six months ago my forecast of revenues for this year was $2,800 million before taking account of any tax changes, and $2,477·5 million after taking into account the effect of the tax changes I then announced. Since that time the yields of several of our important sources of revenue have been somewhat more buoyant than I had expected and I would now be inclined to raise my revenue forecast moderately, say to $2,885 million before any tax changes and to $2,550 million after allowing for the tax changes announced in March.

But there have also been offsetting changes on the expenditure side of the account. Last March I estimated total expenditures for the year at $2,390 million. At that time I had to make a guess as to the probable amount of supplementary estimates which would be proposed at this session of parliament; we now know the exact total of those estimates, namely, $62·7 million, and we can also make a more accurate forecast of the probable total savings in the estimates of all branches of government. Moreover, we must now take into account the effect of two new developments. The first of these is the assumption by the government of Canada of the sterling debt (the 3 per cent guaranteed stock) of Newfoundland, in accordance with the terms of union, which became effective at the beginning of this fiscal year. This transaction has added $62·3 million to the net debt of Canada and for bookkeeping purposes has therefore to be treated as an expenditure in the current fiscal year. In the second place, there is the effect of the recent currency devaluations on our external liabilities as well as on our holdings of gold and our cash balances in New York and London. As hon. members are aware, it is our practice to value our sterling and United States dollar liabilities at the current official rates of exchange and the recent revaluations have been appropriately reflected in our accounts. In regard to our holdings of gold and United States dollars, we have taken into our own accounts only the profit resulting from revaluation of such assets held directly by the Minister of Finance and not the profit from those held on his behalf by the foreign exchange control board, which profit is reflected only in the exchange fund account, an account kept separate, as hon. members know, from the consolidated revenue fund. The net total of the various debits and credits which have passed through our premium, discount and exchange account as a result of the revaluation of liabilities and assets is a debit or expenditure of about $12 million.

Including these expenditures, which are in the nature of bookkeeping charges, along with the other probable expenditures of all government departments and agencies, and making due allowance for the inevitable savings in so large and varied a program, I would now estimate that our total expenditures for the year 1949-50 will be of the order of $2,460 million.

If these over-all estimates of revenues and expenditures prove accurate, our budgetary surplus for the year will amount to around

$90 million. Even after taking into account certain additional tax changes which I shall propose, I believe that the budgetary surplus for the year will be fairly close to the $87 million which I forecast on March 22 last.

A budgetary surplus of this magnitude would mean, of course, a corresponding reduction in the net debt of Canada. That would bring the total reduction which we have been able to achieve in this and the preceding three fiscal years to about $1,730 million. Of this achievement we have every right to be proud but, on the other hand, we have no right to be complacent, as under the assumptions made the total net debt of Canada on March 31 next would still amount to about $11,690 million—surely no inconsiderable burden for a nation of thirteen and a half million people.

In the budget speech of last March I stated that it was particularly difficult this year to estimate the amount of the probable cash surplus. I believe that hon. members are now familiar with the distinction between this concept and the more common term "budgetary surplus", which is simply the excess of revenues over expenditures in the strict accounting sense. If we exclude the non-cash items from both revenues and expenditures, we find that cash revenues are likely to exceed cash expenditures not by $85 million but by about $250 million. To this we must add various receipts in pension and trust accounts and similar deferred liability accounts which are likely to run about $75 million, thus bringing total available cash funds to about $325 million, before taking account of the proceeds of any sales of government securities held temporarily in our securities investment account. Actually so far this year sales out of this account have amounted to $445 million.

A substantial part of our available cash resources is required, of course, to make loans, advances and investments which are authorized by legislation and which are carried on our books as active assets. We can make very rough and tentative estimates as to the probable amount of cash required for some of these outlays, including loans for housing, loans to veterans and farmers, loans to the Canadian National Railways and other crown corporations, and for the current fiscal year I now estimate that, after taking account of repayments in respect of loans or advances previously made, we will require a net additional outlay of about $165 million for these purposes. However, I would not like to make even a guess as to the amount of cash we shall have to find to finance our export surplus for the year—using the term "export surplus" in the broad sense as meaning our total surplus on international account. In this connection, we must of course finance the United Kingdom's current drawings of $10 million a month on its credit less repayments in respect of other export credits previously granted and we also have to provide cash to the foreign exchange control board to finance any addition to our gold and United States dollar reserves resulting from all our transactions on international account. It is only after taking care of all these extra-budgetary requirements that we have available cash to devote to the reduction of our outstanding debt.

[Mr. Abbott.]

In this connection I wish to refer very briefly to the notable record of financing for which this government has been responsible already this fiscal year.

In the United States market the government of Canada had a strikingly successful flotation in the latter part of August. To provide United States funds with which to redeem three called issues bearing our guarantee, two of the Canadian National Railways and one of the national harbours board, we offered $100 million of our 2¾ per cent bonds at a price of 100·25 to the public and the issue was immediately oversubscribed. To the best of my knowledge, this was the cheapest long-term borrowing ever done not merely by the government of Canada but by any foreign government in the United States market.

In the domestic market, aside from the normal refunding of various issues of short-term securities, we have arranged for the redemption or refinancing of a very heavy volume of security issues which have either matured or been called for payment in order to take advantage of lower interest rates. On September 2 we redeemed out of cash $100 million deposit certificates held by the chartered banks. On October 1 we paid off from our cash resources $324·9 million of 3 per cent second war loan bonds due October 1, 1952, but called for payment at the earliest call date. On November 1 there will come due $267·8 million of 1¾ per cent eighth victory loan bonds and there have been called for payment on the same day $289·7 million of 4½ per cent conversion loan bonds due November 1, 1959. To provide cash in part to redeem these two issues totalling $557·5 million, the government has arranged for the sale to the Bank of Canada and the chartered banks of $300 million of 1½ per cent three year bonds due November 1, 1952, at a price to yield 1·69 per cent. It should be realized

that this $300 million short-term issue replaces a substantially larger amount of the called and maturing issues previously held by the banking system and therefore represents a contraction rather than an expansion of bank financing. The remaining cash required to pay off the called and maturing securities will be provided from the treasury. Our depleted cash balances will be replenished in part from the proceeds of the fourth series of 2¾ per cent Canada savings bonds which went on sale on Monday. In this connection I wish again to pay my tribute to the splendid work which has been done both by voluntary and professional workers in promoting the sale of the various series of these bonds and again to appeal to hon. members and others to give their enthusiastic support to the present campaign. I am happy to say that our first reports indicate that sales through the payroll savings plan will be higher than in any previous campaign. This seems to confirm our belief that wage and salary earners as well as the general public welcome the continuing opportunity for systematic saving afforded by these offerings.

Apart from this fourth issue of Canada savings bonds, the government has decided not to make any general public offering of its securities during the present fiscal year.

To summarize the end result of these domestic financial operations, the government has during the last few months provided for the redemption of $982·4 million of its outstanding securities which had matured or were called for payment in order to take advantage of lower interest rates. To the extent of $682·4 million, it was able to do so out of its cash surplus and the proceeds of sales of securities out of the securities investment account, the account in which the government temporarily holds some of its own securities rather than holding larger cash balances.

TAX PROPOSALS

Our four preceding post-war budgets—those of 1945, 1946, 1947 and 1948—were all brought down at times when shortages of commodities, materials and men were either acute or serious, and when the fundamental economic conditions called for anti-inflationary policies. The 1949 prospects were different. Production, employment and incomes were at very high levels—indeed, at record levels—but over most sectors of our economy production and demand had come into better balance and the post-war price inflation had passed its peak. The international economic position, while still difficult and full of uncertainties, had improved greatly, production in Europe and in other overseas areas had shown a gratifying improvement, and our own balance of payments position had shown a remarkable recovery from the low point of December, 1947. The principal area still affected by shortages and inflationary pressures was the field of capital construction and housing.

Under these conditions, it was appropriate that we should modify our fiscal policy by moderating its anti-inflationary aspects and aiming at a closer balance in over-all revenues and expenditures. On the expenditure side, in addition to practising the most careful economy and efficiency in all departments, it seemed wise for the immediate present to continue the policy of postponing wherever practicable all major construction work under our control, except in those few areas where some local unemployment was coming into evidence. On the revenue side, we could propose tax reductions which would bring revenues within a safe margin of total expenditures.

Having decided on a general policy of limiting expenditures and reducing taxes, our next question was where should the major tax reductions be concentrated. The supply of consumer goods had come pretty well into balance with even the very high level of consumer demand, but boom conditions and inflationary pressures still characterized the capital goods field. It therefore seemed appropriate to concentrate the tax reductions in the field of consumer incomes and consumer purchasing. At the same time we were anxious to initiate certain changes in the corporation tax field with a view to encouraging small businesses and reducing the element of double taxation that exists on corporate profits and personal incomes received in dividends with a view to stimulating equity financing.

These are the main considerations that were in our minds as we prepared the 1949 budget, and as I have already said, conditions have not altered sufficiently to warrant any significant changes in our tax proposals.

I can now summarize briefly the tax changes which I proposed last March, and which I am reintroducing this evening, together with a few additions and some revisions. In accordance with the traditional practice most of these changes became effective on the night of the budget, subject of course to later parliamentary approval.

First, as to the personal income tax, it was proposed that the personal exemptions, which have been $750 for single persons and $1,500 for married persons, be increased to $1,000 and $2,000 respectively; that the exemption

in respect of children eligible for family allowance be increased from $100 to $150, and in respect of other dependents from $300 to $400; that the schedule of rates applicable to various levels of income be substantially lowered; and that the exemption from the extra tax on investment income be raised from $1,800 to $2,400. All these changes were to be effective from January 1, 1949.

There are, as the house will recall, a great many individual employees for whom tax deductions were made at the source by their employers during the first few months of this year but who now will have no income tax liability for 1949. It had been intended to expedite refunds to these individuals during the spring and early summer months. However, the dissolution of parliament before the budget legislation had been passed made it impossible to do so. Work, however, has gone ahead in preparing for the issuance of these refund cheques and they are now ready for mailing. They will be mailed just as soon as parliament approves the legislation.

Our only record of those persons entitled to refunds is their name and that of their employer. The cheques, therefore, will be made out in the name of the individual concerned but will be mailed to the employer through whom the deduction was made. Individuals affected, who have changed employers since last March, should therefore apply to their former employer for the refund cheques. Employers who find themselves unable to deliver these cheques to the proper persons will return them to their local district income tax offices and we shall then endeavour to locate the payees.

I repeat, however, that no cheques can be issued until after the legislation has been passed and employees should not apply to their employers until after that date.

In the second place, no changes were proposed in respect of succession duties, since the 1948 budget completely exempted all estates up to $50,000.

Thirdly, substantial changes were proposed in the corporation income tax. Instead of the former flat rate of 30 per cent, it was proposed to make the rate 10 per cent on the first $10,000 of income and 33 per cent on all income in excess of $10,000. I had proposed also that individuals be granted a credit against their personal income tax equal to 10 per cent of the dividends they receive from common shares of Canadian taxpaying corporations. This proposal has received a great deal of constructive criticism in the press and I have had a considerable number of representations from a variety of sources, some asking for clarification and others pointing out practical difficulties in the proposal as it stood or making constructive suggestions. As a result of these representations and public discussion, I am prepared to modify the application of my proposal by extending the 10 per cent tax credit to include dividends from all classes of shares, both common and preferred.

This change will remove a great many technical difficulties and anomalies which would have arisen in attempting to administer my original proposal of limiting the tax credit solely to shares "having no preference of any kind". It recognizes the fact that it is extremely difficult, if not indeed logically impossible, to determine where the burden of double taxation finally rests under a good many complicated capital structures used in modern corporate financing. Finally, it is calculated to accomplish the real objective which I was seeking of encouraging equity investment and thereby lessening the incentive to finance corporate enterprise by undue reliance on borrowed capital.

I might add that while it is difficult to measure precisely the loss of revenue resulting from this modification, I believe that it will not exceed $1 million a year.

It was also proposed to extend the present three-year period for the carrying forward of losses to a five-year period. There were in addition proposals respecting depreciation allowances, respecting expenditures on oil, mineral and gas exploration, and respecting a number of other minor or technical matters. All these changes were to be effective from January 1, 1949. I understand from my colleague, the Minister of National Revenue, that drafting of the regulation providing for the new depreciation allowances is practically completed and that it will be promulgated as soon as the bill to amend the Income Tax Act has been passed.

Fourthly, no further changes were proposed in the customs tariff. I informed the house last March that new trade and tariff negotiations were to be started in April with a number of countries at Annecy. The results of these negotiations were officially announced last week, and the new rates of duty will be put into effect by order in council in accordance with the procedure laid down in the Customs Tariff Act. Their effective date will be January 1, 1950, or as soon after that date as the other countries concerned are able to take reciprocal action.

In my budget address of last March I said that it was the policy of the government to seek another trade agreement with the United States, similar to those entered into in the past, in which we would attempt to secure a further reduction in trade barriers between

our two countries. The Reciprocal Trade Agreements Act has now been renewed by the United States congress. In commenting with approval on this action by the congress, President Truman made these remarks respecting the policy of his government:

> From the long range standpoint it is clear that only by a large expansion of our purchases of foreign goods will the needed readjustment in international economic relations be possible, on a basis consistent with a liberal world trading system and the richer world it offers.
>
> We must reduce our own barriers, wherever possible, to permit our people the freest access to the foreign goods they may want to buy. The maintenance and the enlargement of our export markets are impossible without a substantial expansion of our imports.

This leadership given by the President of the United States in the task of removing barriers to world trade is most encouraging.

Plans are now under way as the house is aware for another set of multilateral trade negotiations during the course of next year, under the procedures established in the general agreement on tariffs and trade. At that time we shall seek to negotiate further tariff reductions with the United States and with the other signatories of the Geneva agreements.

Finally, in my budget proposals of last March extensive revisions, reductions and removals of taxes were proposed in the field of commodity taxes. These included the complete repeal of the special taxes on soft drinks, candy, chewing gum, transportation tickets and telephone, telegram and cable charges. Special taxes on jewelry, watches, cosmetics, luggage, cigarette lighters and sundry smokers' supplies were to be reduced from the former rates of 25 per cent or 35 per cent to a straight 10 per cent. The structure of the tax on matches was to be recast and reduced. These changes in commodity taxes were to be effective as from March 23, 1949, and since that date collections have been on the reduced basis.

In addition to these commodity tax reductions, I have two new proposals to make. I propose that, effective midnight tonight, the sales tax be removed on all fuel oils, that is, on all petroleum-based oils used for heating or lighting in homes or in industry, but not including fuels used in internal combustion engines. There is at present no sales tax on coal, coke, wood, gas or electricity, and there has been some element of discrimination in keeping it on these fuel oils both for domestic and industrial use. The removal of this tax on fuel oils will reduce costs of production and remove the element of discrimination in those industries, particularly certain sections of the pulp and paper and steel industries, where fuel oil rather than coal is the principal fuel used. It should serve as well to enlarge the market for oil producers in western Canada who are now reaching the position where current output exceeds their present marketing facilities. It should also largely offset the recent price increases arising out of the premium on the United States dollar. For all these reasons I think it appropriate to make this change at this time. Our loss in revenue from this tax change will be about $10 million in a full year and about $4 million in the balance of this fiscal year.

I have one other minor change to suggest which I am making now as it may be of assistance in enabling the apple industry to dispose of an additional quantity of apples. The proposal is that the present tax on cider and other wines containing less than 7 per cent of proof spirits be reduced by one-half, that is, from 50 cents a gallon to 25 cents a gallon. The loss of revenue, if any, which we will forgo as a result, will be very small.

You will recall, Mr. Speaker, that at an earlier point in my remarks I estimated that had no changes been made in the tax structure we had in effect last year, our total revenues for the current fiscal year would probably amount to about $2,885 million. Our revised estimates of the loss of revenue occasioned by the tax changes I proposed last March indicate a total reduction of about $376 million in a full year and of about $335 million in the current fiscal year. The additional tax changes which I have proposed this evening are expected to cause a further revenue reduction of about $11 million in a full year and about $5 million in the current fiscal year. However, as I said a few minutes ago, even after taking into account the effect of the additional tax changes I have just announced, total revenues for the current year are likely to be maintained at a figure which, after deducting the total expenditures I have estimated, will produce a budgetary surplus very close to the $87 million which I forecast last March.

With the consent of the house, I now wish to place on *Hansard* a table showing our forecast of probable revenues from each major source before taking account of any tax changes, the probable loss of revenue caused by the major tax changes, and the resultant probable revenues for the year 1949-50.

Mr. Speaker: Has the minister the consent of the house to table the statement?

Some hon. Members: Agreed.

Mr. Abbott: The statement follows:

Revised Forecast of Revenue for Fiscal Year 1949-50 Taking Account of Proposed Tax Changes

	Forecast of revenue before tax changes	Reduction in revenue in fiscal year 1949-50 resulting from budget proposals	Revised forecast of revenue for 1949-50
Customs Import Duties	$ 235,000,000		$ 235,000,000
Excise duties	215,000,000		215,000,000
Sales tax (net)	410,000,000	$ 4,000,000	406,000,000
Other excise taxes	260,000,000	92,000,000	168,000,000
Personal income tax	855,000,000	252,000,000	603,000,000
Corporation income tax	580,000,000	8,000,000	588,000,000
Interest and dividends	48,000,000		48,000,000
Succession duties	26,000,000		26,000,000
Miscellaneous taxes	4,000,000		4,000,000
Total tax revenue	2,633,000,000	340,000,000	2,293,000,000
Non-tax revenue	202,000,000		202,000,000
Total ordinary revenue	2,835,000,000	340,000,000	2,495,000,000
Special receipts	50,000,000		50,000,000
Total revenue	2,885,000,000	340,000,000	2,545,000,000

There is little that I need add, Mr. Speaker, by way of conclusion. The budget resolutions which I am now tabling differ only slightly from those which I tabled last March. They represent, both as to general policy and as to practical substance, a program which seems to have commended itself to all sections of the country—a program upon which the people of Canada, after careful reflection, have already placed the overwhelming stamp of their approval.

I beg leave to table the resolutions:

THE EXCISE TAX ACT

Resolved that it is expedient to introduce a measure to amend the Excise Tax Act and to provide:

1. That the following excise taxes be repealed, namely, the excise taxes on:

(a) soft drinks;

(b) chocolate, candy, and confectionery;

(c) chewing gum;

(d) cable, telegraph, and telephone messages, and on telephone extensions;

(e) transportation tickets or rights of transportation, and on seats, berths, or other sleeping accommodation;

(f) motor buses; and

(g) carbonic acid gas.

2. That the retail purchase tax be repealed and replaced by an excise tax of 10 per cent, payable by the manufacturer or importer, on all articles now subject to the retail purchase tax.

3. That the following excise taxes be reduced from 35 per cent to 10 per cent, namely, the excise taxes on:

(a) trunks, suitcases, bags, and luggage of all kinds;

(b) ash trays, tobacco pipes, and smokers' accessories; and

(c) fountain pens, propelling pencils, and desk accessories.

[Mr. Speaker.]

4. That the following excise taxes be reduced from 25 per cent to 10 per cent, namely, the excise taxes on:

(a) toilet articles;

(b) devices commonly or commercially known as lighters; and

(c) coin, disc, or token operated machines and vending machines.

5. That the sales tax on the following articles be repealed: lactose; malt syrup except when sold for beverage purposes; diesel powered self-propelled trucks, mounted on rubber tired wheels, for off highway use exclusively at mines and quarries, and complete parts thereof.

6. That the rates of excise tax on matches be amended from the present specific proportionate rate of tax on each package, to an ad valorem tax of 10 per cent.

7. That the present specific tax of 5c per pound on tires and tubes be amended to an ad valorem tax of 10 per cent.

8. That the sales tax on the following articles be repealed: liquid fuel for lighting or heating, but not including fuel when for use in internal combustion engines; crude oil to be used for the production of fuel.

9. That the excise tax on wines containing not more than 7 per cent of proof spirit be reduced from 50 cents per gallon to 25 cents per gallon.

10. That paragraphs 1 to 7 shall have effect on and after March 23, 1949, and paragraphs 8 and 9 shall have effect on and after October 21, 1949.

INCOME TAX

Resolved that it is expedient to amend the Income War Tax Act and the Income Tax Act and to provide, amongst other things:

1. That, for the 1949 and subsequent taxation years, the following shall be the exemptions from individual income tax:

(a) $2,000 in the case of a married person and persons allowed a deduction equivalent to that of a married person and $1,000 in the case of all other persons; and

(b) $400 in the case of dependents not eligible for family allowances, $150 in the case of children eligible for family allowances.

2. That, for the 1949 and subsequent taxation years, the schedule of graduated rates for individual income tax be replaced by the following schedule:

On the first $1,000 of income or any portion thereof, 15 per cent per annum; or

$150 upon the income of $1,000; and 17 per cent upon the amount by which the income exceeds $1,000 and does not exceed $2,000; or

$320 upon the income of $2,000; and 19 per cent upon the amount by which the income exceeds $2,000 and does not exceed $4,000; or

$700 upon the income of $4,000; and 22 per cent upon the amount by which the income exceeds $4,000 and does not exceed $6,000; or

$1,140 upon the income of $6,000; and 26 per cent upon the amount by which the income exceeds $6,000 and does not exceed $8,000; or

$1,660 upon the income of $8,000; and 30 per cent upon the amount by which the income exceeds $8,000 and does not exceed $10,000; or

$2,260 upon the income of $10,000; and 35 per cent upon the amount by which the income exceeds $10,000 and does not exceed $12,000; or

$2,960 upon the income of $12,000; and 40 per cent upon the amount by which the income exceeds $12,000 and does not exceed $15,000; or

$4,160 upon the income of $15,000; and 45 per cent upon the amount by which the income exceeds $15,000 and does not exceed $25,000; or

$8,660 upon the income of $25,000; and 50 per cent upon the amount by which the income exceeds $25,000 and does not exceed $40,000; or

$16,160 upon the income of $40,000; and 55 per cent upon the amount by which the income exceeds $40,000 and does not exceed $60,000; or

$27,160 upon the income of $60,000; and 60 per cent upon the amount by which the income exceeds $60,000 and does not exceed $90,000; or

$45,160 upon the income of $90,000; and 65 per cent upon the amount by which the income exceeds $90,000 and does not exceed $125,000; or

$67,910 upon the income of $125,000; and 70 per cent upon the amount by which the income exceeds $125,000 and does not exceed $225,000; or

$137,910 upon the income of $225,000; and 75 per cent upon the amount by which the income exceeds $225,000 and does not exceed $400,000; or

$269,160 upon the income of $400,000; and 80 per cent upon the amount by which the income exceeds $400,000.

3. That, for the 1949 and subsequent taxation years, there may be deducted from tax payable by an individual resident in Canada 10 per cent of the amount of his income that is from dividends on shares in a corporation resident in Canada that was liable to corporation tax in the taxation year: Provided that in the case of dividends deemed to have been received from a personal corporation the deduction shall only be 10 per cent of that part of the income deemed to have been received by the shareholder as a dividend that the income of the corporation derived from dividends is of the whole income of the corporation.

4. That, with respect to income of corporations earned on and after January 1, 1949, the present rate of tax of 30 per cent shall be reduced to 10 per cent on the first $10,000 of income and increased to 33 per cent on income in excess of $10,000 with corresponding changes in the rates in the case of consolidations.

5. That interest on unpaid taxes on incomes of the 1948 and subsequent taxation years for which no assessments have been issued will cease to accrue twelve months after the date for filing the return in place of twenty months.

6. That, for the 1949 and subsequent taxation years, the business losses that may be deducted from income shall include losses sustained in the five years preceding and the year following the taxation year in the place of the three years preceding and the year following the taxation year.

7. That, for the purpose of computing income of the 1948 and subsequent taxation years of a member of the clergy or of a religious order or a regular minister of a religious denomination there may be deducted the value of the residence or other living accommodation enjoyed by him as such member or minister to the extent that it would otherwise be included in his income or the rent paid by him for or the fair rental value of such a residence or living accommodation.

8. That, for the 1949 and subsequent taxation years, the exemption from income of an individual in respect of a spouse supported by him shall not be reduced because of exempt income of the spouse.

9. That, for the 1949 and subsequent taxation years, all amounts whether in the form of lump sums or otherwise, received by employees from their employers, whether before, during or after their employment, shall be included in computing income of the employee unless it is established that they cannot reasonably be regarded as consideration for entry into the employment, remuneration for services or consideration for restrictions on the activities of the employee.

10. That, for the 1949 and subsequent taxation years, payments made for a wheel chair may be included in the medical expenses for which a deduction from income may be made for the purpose of computing taxable income.

11. That, for the 1949 and subsequent taxation years, $500 may be deducted from income for the purpose of computing taxable income of a taxpayer who, throughout the whole of the taxation year, was necessarily confined by reason of illness, injury or affliction to a bed or wheel chair.

12. That special deductions from income to taxpayers engaged in exploring or drilling for natural gas, oil or minerals be allowed for expenses incurred in the 1950, 1951 and 1952 operations on the same basis as for expenses in 1949 operations.

13. That special deductions from taxes to taxpayers engaged in exploring or drilling for oil for expenses incurred on deep-test oil wells be allowed for such expenses in 1950 operations on the same basis as for such expenses in 1949 operations.

14. That the provision for the exemption of income derived from a metalliferous or industrial mineral mine that came into production during the calendar years 1946 to 1949 inclusive during the period of thirty-six months after the mine came into production be extended to exempt income from such mines that come into production during the calendar years 1950, 1951 and 1952.

15. That tax concessions under Statutes of Newfoundland shall not apply in respect of taxes imposed by any act of the parliament of Canada.

(*For details of the budget, see appendix, pages 997 to 1009.*)

Hon. W. Earl Rowe (Dufferin-Simcoe): It is not my intention to follow the Minister of Finance (Mr. Abbott) at any length tonight. I do not think anyone can fail to appreciate his genial, pleasant and satisfied style. I always find it pleasant to listen to him whether I agree with him or not. In fact, I find it pleasant to overlook the things he does not say as well as to listen to the things he does say.

It is a unique experience in my many years in this house to hear the same budget presented twice in the same year. The Minister of Finance presented his budget last spring in a most fluent, pleasant, jovial and happy style.

Mr. Cruickshank: The same government too.

Mr. Rowe: As an hon. member says, the government was the same as it is tonight.

Mr. Cruickshank: The people thought they should come back.

Mr. Rowe: The hon. member is lucky to be back. As I say, it is a unique experience. After hearing the rehearsal tonight I think the eloquence of the genial minister has improved with practice, as might be expected. But in view of the alarming changes in international trade relations and world currencies during the past summer I am sure the house is somewhat disappointed to find the government presenting the same old plans that were presented last spring.

Through the courtesy of the Minister of Finance I have had a copy of this important document. It is important because we all contribute to it more or less. Even we farmers contribute to it. I feel it would be lacking in respect to my genial friend, the Minister of Finance, and a denial of my responsibilities on this occasion, if I spoke impromptu, without careful consideration of the minister's presentation. I always sleep well, but tonight I shall spend a few hours studying the budget in an effort to discover some of its strong points, which I cannot see in it tonight. Therefore, Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—ADDRESS TO HIS MAJESTY THE KING

The house resumed consideration of the motion of Mr. St. Laurent for an address to His Majesty the King praying that a measure be laid before the parliament of the United Kingdom to amend the British North America Act, 1867, relating to the amendment of the constitution of Canada, and the amendment thereto of Mr. Knowles, and the amendment to the amendment of Mr. Garson.

Mr. St. Laurent: With the consent of the hon. member who is to resume his remarks and of the other hon. members of the house I should like to state that my attention has been called to the fact that in moving an amendment to the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles) I referred to certain lines as the fourth and fifth lines and the seventh and eighth lines. Those references were to lines in the typewritten copy which I had received of the hon. member's amendment, but it will be printed in much smaller type in *Votes and Proceedings*. I should like to ask the consent of the house to authorize the clerk to make the wording conform with what is in *Votes and Proceedings*. If it is the pleasure of the house to have that done perhaps the Clerk would see that it is corrected.

Some hon. Members: Agreed.

Mr. Clarence Gillis (Cape Breton South): Mr. Speaker, when we took recess at six o'clock I was attempting to draw the attention of the house to many weaknesses in the arguments of those who are opposing the resolution moved by the Prime Minister (Mr. St. Laurent). I should like to remind hon. members that in discussing this suggested method to permit Canada to change its constitution there are really three propositions before us. The original motion of the Prime Minister merely suggests that we should have the right to amend our constitution in some particulars. In the original motion he did not suggest that the constitution should be amended in all particulars. There were certain reservations in connection with education, minority rights and the use of the two languages in this country.

The hon. member for Winnipeg North Centre (Mr. Knowles) suggested an amendment that would place another reservation upon those matters on which we might constitutionally legislate in this country. He suggested that a proviso be added that this parliament should not be placed in a position where it might perpetuate itself merely by a majority vote in this house. The Prime Minister (Mr. St. Laurent) now suggests a subamendment adding still another reservation. In addition to what has been suggested by the hon. member for Winnipeg North Centre the Prime Minister would add that parliament should have the right to extend its life in the event of war, rumours of war, and so on.

When we come to vote on this matter I believe we should keep these things in mind. Earlier in the discussion I said that perhaps there was no need for an amendment to the original motion. On further consideration I think perhaps the steps now proposed in the subamendment and the amendment are necessary, so we may understand that we are not taking unto ourselves the right to amend the constitution as a whole but that there are certain reservations. If it is considered advisable to deal with those matters by legislation, it will still be necessary for us to go to the United Kingdom parliament for that authority.

Earlier in the debate I pointed out that amending the constitution without consulting the provinces is nothing new. The constitution has been amended eleven times, and on only three occasions were the provinces consulted before those amendments were made. On one occasion of the eleven an amendment was made after only four provinces had been consulted. On another occasion British Columbia dissented; nevertheless the amendment was made. I suggested that nothing was upset as a result, that Canada went along and none of the provinces pulled out of confederation. The argument now put forward that the provinces should be consulted first falls flat, I think, in view of the reservations made in the amendment and subamendment as to certain things which may not be done in regard to the constitution.

I also pointed out that there was a mandate to amend the constitution from a dominion-provincial conference held in 1935, and I put on record the suggestions made at that time. I am not going to waste time in repeating them. Many hon. members have advanced legal and technical arguments in this debate, and have suggested that there is no hurry. Well, certainly there has been no hurry up to the present; this has been unfinished business since 1935. As I said earlier, I compliment the Prime Minister on giving us action now, and I think this is the time to take this step, at the opening of this parliament. We have more than 260 members here, most of whom will be here for the next four years. Any amendments to the constitution that have to be made probably will be made during that period, so the members who are deciding this question of constitutional change now will be here to see that any changes are made in the right way.

I do not think any province has anything to fear. Quebec is strongly represented in this parliament, with some 67 members. Knowing most of them as I do, I believe Mr. Duplessis may rest assured that if there is any interference with the rights of his province he will have 67 vocal and explosive members here who will see that those rights are protected. As far as Nova Scotia is concerned, our premier also takes the stand that he wants to be consulted. Well, he was a member of the federal cabinet here all during the war, and I think he is pretty well acquainted with many members of this house, particularly the members of the government. He has been a member of the Liberal party all his life, but he does not appear to trust them very much. He wants to hang on to his jurisdiction. He wants a dominion-provincial conference first. Well, it was not so long ago that he attended a dominion-provincial conference in this city, and if my recollection serves me right at that time the dominion made some very good proposals to the provinces. But the premier of Nova Scotia was one of those who joined with the premiers of Ontario and Quebec in blocking that conference, and I believe they did the people of Canada a great disservice. I think we lost a great deal, particularly in the over-all health program for this country which was to cost the federal government some $200 million. If the premier of Nova Scotia wants another dominion-provincial conference now so that he may veto what the federal government may have in mind with respect to amending our constitution in this country, as far as I am concerned he can stay at home.

I do not see what he wants to hang on to. Sometimes it amazes me when I hear them talk about dominion or provincial rights. What rights? As far as Nova Scotia is concerned, they have had their rights since confederation. What have they done with them? In the province from which I come they leased the birthright of the people of that province to corporations for ninety-nine years. They sold them out. Since confederation some two hundred industries have been siphoned off from Nova Scotia and moved to central Canada; and those who talk most about provincial rights presided over that liquidation of their own province. I want to get clear of all that kind of thing. I want to see Canada welded into a nation, and I want to see the stumbling blocks of the past removed. The powers most of the provinces have had since confederation have militated against the best interests of the people in those provinces. For example, for many years as a member of the trade union movement I spoke in halls and write resolutions which were sent to provincial and dominion governments on the question of an unemployment insurance act. For years we were denied such legislation because the federal government did not have the authority and provincial governments would not agree to it. Then when war broke out the Prime Minister took the bit in his teeth and put that legislation on the statute books; but it was held back for many years because of this question of jurisdiction. Again, under existing conditions it is impossible to establish an over-all health plan in this country, though I am sure every member of this house and ninety per cent of the people of Canada agree that this is absolutely necessary. The provincial governments have the authority but they do not have the finances to look after the health of the people. The federal government has the means but does not have the authority. Under the legislation now proposed by the Prime Minister the responsibility will become ours of changing the constitution to make the national government

supreme in that field, so I think it is up to us to go ahead with it whether the premier of Quebec or the premier of Nova Scotia or any other individual in this country agrees with it.

Mr. Smith (Calgary West): Does the resolution do that?

Mr. Gillis: I think it does. It will be up to us if we take to ourselves the right to amend the constitution in this country.

Mr. Smith (Calgary West): Will the Prime Minister agree with that?

Mr. Gillis: I don't know, but I am selling him ideas, and I hope he accepts them. Then again, there is a matter of a national labour code. Many of the members in this house who were here during the war went through the strikes after the war, and watched the industrial relations committee in action. Those members will also remember our attempts to hammer out a national labour code in this country, something that is absolutely necessary in order to secure uniformity of labour legislation across the country. Every time a member started to talk about a national code, one of our legal friends started waving the British North America Act. We were told we could not do that because section so-and-so of the British North America Act prohibits it. We were told we had to go over to the old country to get it amended. All right, now is the time to change it.

There is a national labour code, so-called, in existence. It is not a national labour code at all because it only embraces a very few industries that fall within the jurisdiction of the federal government. It is still not national. I want this parliament to have the right to change the constitution to enable us to establish a national labour code in this country which will empower the government to fix minimum wages and vacations with pay. No restrictions would be placed on the provinces if they wanted to raise those minimums. I believe, however, there should be a national minimum wage rate applicable all across Canada.

I should like to ask my friends from Quebec this question, and through them Mr. Duplessis, who so strongly guards the rights of the provinces. How much did he respect the rights of his municipalities in events which occurred not so long ago?

Some hon. Members: Hear, hear.

Mr. Gillis: I remember when the asbestos workers, who were working for very low wages and who were in a union known as the Catholic Syndicate—which could not be considered radical or communistic by any stretch of the imagination—used every piece of machinery Duplessis made available in order to settle the dispute. In the final analysis they were forced to take a stand to settle that dispute. Did Mr. Duplessis respect the rights of the municipalities when he sent in his police to smash the strike without any solicitation from the municipalities? He invaded their rights, smashed things up, and was not very particular at that time about democracy or conferences with the municipalities before he usurped their privileges. I am afraid that Mr. Duplessis and those who oppose the steps now being taken by the federal government merely wish to retain a veto. It is not a matter of sitting down and reasoning out some methods for changing our constitution; it is a matter of retaining the machinery so that one province in this country can veto anything that means progress and advancement for the people.

Mr. Smith (Calgary West): What province is that?

Mr. Gillis: It could be Alberta.

Mr. Smith (Calgary West): You know quite well it could not be that province.

Mr. Gillis: I do not know, but I will let you know after I hear my hon. friends on my left speak.

I just wish to say this, Mr. Speaker, that in these matters we cannot continue to think in terms of the past. So far as I am concerned, I believe we have reached the end of an age. We have closed the old book and are starting to write a new one. Society is developing new mechanics. I should like to remind those who argue that we should continue to go to the parliament of the United Kingdom for amendments to our constitution, and to retain the privy council as the final court of appeal, that the country to which we are still clinging on that basis has gone through a revolution and is going through a revolution. Canada today has to begin thinking in terms of the future and close the book on the past. The past offers us no guide for what is going to take place in the future in this world.

Great Britain no longer represents what it represented in 1867. Drastic changes have been made and will continue to be made in that country. It is time Canadians began to think for themselves in terms of building a nation and working out our own destiny in this world. There is no going back. We will either have to go forward or become stagnant and fall into disrepute in the eyes of the world. When I pick up a newspaper and see that the Canadian delegates at the United Nations are not in a position to vote on a

certain question because the federal government has not authority to legislate on that matter, I feel it must be very embarrassing to those delegates.

Now, Mr. Speaker, my time has nearly expired but I should like to leave this thought with the members of the house. So far as this group is concerned, it is not a matter of politics. On many occasions, we are accused of supporting the government. It is immaterial to us who proposes the legislation. If our group believes it is a step in the right direction, we will support the proposal. The measure may not go as far as we want to go, but if it is a step in the right direction, no matter who proposes it, we will support it. I believe the step the Prime Minister is now taking is a step that should have been taken back in 1935. It is unfinished business since that time. I complimented the Prime Minister on his courage in bringing this measure forward at this time so early in this session. The members who are debating the question will be able to carefully scrutinize what changes may be made.

In 1935 the dominion-provincial conference recommended this change. It is unfinished business since that time. I do not believe either Quebec or Nova Scotia, or any of the provinces who are sceptical about it, have anything to fear. I have been looking over the members of this house for the past month and I believe they compare favourably with the members of any house since I had the privilege of coming to Ottawa. Most of them are young and vocal. They have no inferiority complex; they are prepared to debate issues and have been debating them. I believe that with the sort of parliament we have now we should have no fear of accepting the responsibility of regulating the future of this country.

Mr. A. J. Brooks (Royal): Mr. Speaker, I am sure we have all listened with much pleasure to the address by the hon. member who has just taken his seat. He takes part in a good many of the debates in this house and always adds something to them. At the outset of his remarks, I was interested in hearing him take the Prime Minister on what might be termed a Cook's tour up the side of a high mountain and leave him at the top of that mountain. I might point out, Mr. Speaker, that the top of a mountain is a rather cold and slippery place, and even with the hon. member for Cape Breton South (Mr. Gillis) as his guide I am sure the Prime Minister would have to watch his step.

The hon. member also spoke about the humiliation which certain of our representatives feel when they attend the United Nations conventions because of their inability to carry out certain ideas which are within the jurisdiction of the provinces. It is that very thing, Mr. Speaker, to which the provinces are objecting. The hon. member seemed to indicate that he was willing for the provinces to lose some jurisdiction they now have, without being consulted as to why it should be taken from them. In closing his remarks, the hon. member also said that we are no longer going to Great Britain to have our constitution amended. During the course of this debate I have not heard one speaker advocate going to Great Britain to have our constitution amended. I am sure there is no member in this party who has advocated that our constitution should not be amended by the representatives of our own people. But what we are asking is that the whole constitution be amended at the one time. What we object to is its being amended piecemeal, as the resolution of the Prime Minister (Mr. St. Laurent) would suggest. Unless it is amended as has been suggested by our leader I am satisfied that, as he has clearly pointed out, we shall have to do the very thing that the hon. member for Cape Breton South (Mr. Gillis) objects to.

It is not my intention to prolong this debate to any great extent; but coming as I do from New Brunswick, which was one of the pillars of confederation, I felt that I should say a few words in this debate, particularly as no one from my province has already spoken.

At the present time New Brunswick does not constitute as important a part of this dominion as we did in 1867. At that time, together with the province of Nova Scotia and the province of Canada, as it was called, we were the pillars or the basis of the confederation of Canada. We were therefore quite important then. Today we are not so important. Quite a number of changes in our constitution have taken place since those early days, but most of them have not worked out to the benefit of my province nor to the benefit of the other two maritime provinces, or perhaps I should say the other three maritime provinces as there are today.

In his remarks this afternoon the Prime Minister said—and it has been repeated by some other members—that the people of the dominion knew well that constitutional changes would be brought before this house at this session. I remember that, during the election campaign, the Prime Minister spoke rather casually of this matter in the city of Moncton in my own province. But I want to say that, outside of the Prime Minister himself, I never heard any of the candidates on any side mention constitutional issues during the election campaign. As a matter of fact, the Prime Minister himself tried to impress upon the people of Canada the idea that there

were no issues; he said there were no issues in this campaign. The issues which we heard most of during the campaign were the family allowances and the old age pensions. Those were the issues in my own constituency; they were the issues all over my province, as they were in most parts of Canada. Instead of being told that their constitution was to be changed, the people were told that if they did not vote for the Liberal government they were going to lose their baby bonuses and their old age pensions. Those were the chief issues during the campaign, Mr. Speaker.

As I say, I think there is arising in this dominion at the present time an interest over this matter which was not manifested at all during the election campaign. I was rather disappointed at the response of the premier of New Brunswick, Mr. McNair, when he replied to the Prime Minister's letter with regard to the resolution and with regard to the calling together of the various provincial premiers. The Prime Minister's letter was sent out on September 14. The premier of New Brunswick replied to it on September 16. He said:

I am this day in receipt of your letter of September fourteenth which has reference to—

And so on; he mentions this matter of the constitutional changes. My point is this. Instead of giving any consideration to this matter, the premier of New Brunswick simply acknowledged the Prime Minister's letter. He did not even call together his cabinet, as was done by the premiers in most other provinces of the dominion.

Reading the letters, I gather that the only other premier of a province who did not call together his cabinet was the premier of Prince Edward Island, who wrote a three-line letter in acknowledgment of the Prime Minister's. He said that if and when that conference was held, he and his cabinet would be pleased to attend.

The premier of Newfoundland took some time to reply. His letter is dated October 4, and in it he indicates that he had brought the matter fully before his government. Then the premier of Nova Scotia, Hon. Angus L. Macdonald, who has just received some attention from the hon. member for Cape Breton South (Mr. Gillis), replied on September 27. He also took the matter up with his colleagues. Despite what the hon. member for Cape Breton South has said this evening, I think that the premier of Nova Scotia reflects the feeling of the people of the three maritime provinces. He said:

There is, I believe, considerable support for the view that the abolition of appeals to the privy council is in effect an amendment of the constitution and that, therefore, it is a question which should be the subject of discussion at the dominion-provincial conference which you suggest.

I believe that paragraph expresses the opinion which is quite generally held by the people of Nova Scotia, New Brunswick and Prince Edward Island.

I will not quote further from the letters of the premiers of the various provinces, but the point I wish to make is this. They all took time to consider the letter which was written by the Prime Minister of Canada, except the premier of Prince Edward Island and the premier of New Brunswick. In their replies they also gave considerable attention to the subject matter. But if the premier of our province has not given much attention to this matter, I feel that the people of the province today are giving considerable attention to it. I base my opinion on a report in the Saint John *Telegraph-Journal* of Monday, October 17. This is an article written by Dr. A. P. Paterson, former New Brunswick minister of education and federal and municipal relations. He was a minister in the Liberal government in the province of New Brunswick. The heading of this article written by Dr. Paterson is as follows:

An Appeal to the People of New Brunswick, in all Walks of Life, to Protect Their Rights and Interest from Misuse of Authority by the Government and Parliament of Canada.

That is a strong heading, Mr. Speaker.

Mr. St. Laurent: He is a man of strong views.

Mr. Brooks: As the Prime Minister has said, he is a man of strong views; but he is also a man who has spent most of his life in discussing and studying constitutional matters. I do not know that everybody agrees with him; but then, everyone does not agree with the Prime Minister. Dr. Paterson, however, is a man whose views, I think, are held in quite high esteem by a good many people. In this article Dr. Paterson says:

In the face of Ottawa's speech from the throne, if at any time since New Brunswick was established as a province, we, the people of New Brunswick, needed competent leaders in all walks of life to protect our rights and interests we need them now.

I should like to quote further from Dr. Paterson. In speaking about confederation he had this to say:

The legislatures of the original provinces created the original Dominion of Canada and only the legislature of New Brunswick has the power to agree to amendments of Canada's constitution lawfully so far as this province is concerned. All the authority delegated to the government and parliament of Canada by the provinces, for particular objects, is defined in written documents and Canada's constitution is something sacred not something to be changed or amended by a group of political leaders, except by following the procedure by which it was created.

I would point out, Mr. Speaker, that at the time of confederation the province of New Brunswick was a sovereign state. When

speaking the other day an hon. member said that the provinces were not sovereign states. New Brunswick was never a colony. It was made a province in 1791. In discussing confederation they discussed the problems with Nova Scotia, which was also a sovereign body, and with the province of Canada, which at that time was made up of upper and lower Canada under the Union Act, and afterwards it became the provinces of Ontario and Quebec.

We had such men as Sir Leonard Tilley from New Brunswick, Sir Charles Tupper from Nova Scotia and also Joseph Howe who, as hon. members know, was opposed to confederation. These are some of the very able and outstanding men whom we had in the maritime provinces discussing this matter. I would also point out that in both Nova Scotia and New Brunswick there was a very strong feeling against confederation. These provinces came in not because there was a great feeling in the provinces that we should join with the rest of Canada, but because Sir John A. Macdonald, and other statesmen from what was known as upper Canada at that time, visited the maritime provinces and begged that New Brunswick and Nova Scotia become a part of confederation. I doubt very much whether Canada would ever have become the great country she is today had New Brunswick and Nova Scotia refused to enter confederation at that time. I point out these things, sir, simply to show the importance of our two provinces at the time of the confederation pact.

Since that time New Brunswick and Nova Scotia have lost in importance, but there are two matters that are important to us in these provinces today. One is the matter of taxation, and the other is the matter of representation. So far as representation is concerned, we wish to be assured that we who in the past have lost so many members to the rest of Canada will not lose our representation in the future. That is one of the main points so far as our provinces are concerned. At the time of confederation New Brunswick had a population of around 250,000 people. At that time she was given a representation of fifteen members. Nova Scotia had a population of over 400,000 people. She was given a representation of nineteen members. Today, after all these years, when our population has increased from 250,000 to almost 500,000, instead of fifteen members we have ten. Nova Scotia instead of having nineteen members has thirteen. That is one of the main reasons why we in these little provinces are jealous and afraid of any tampering with the constitution.

Sections 21 and 22 of the British North America Act deal with the composition of the Senate. The representation in the House of Commons is covered by sections 51, 51A and 52 as amended in 1946. Today under these sections the representation of New Brunswick cannot be fewer than the number of senators we have, which is ten. The representation of Prince Edward Island cannot go below four, because that is the number of senators from that province. If, as we sometimes fear, the responsibility of amending our constitution rests entirely with the Dominion of Canada, changes may be made in that representation. Today there are sections in Canada —and I have heard it expressed in the House of Commons—which say that these small provinces down by the sea have been accorded special treatment. They say that we have too much representation. As a matter of fact the late Mr. Woodsworth, who was the leader of the C.C.F. party at one time, said that we were receiving special privileges and it was something which should be corrected. This sentiment exists in Canada. As I have said, I have heard it expressed by hon. members since I have been in the house. For this reason we are exercised over the fact that the provinces of Canada, especially New Brunswick and Prince Edward Island, should not be consulted before any changes are made so far as representation is concerned.

Another important matter is taxation. Today New Brunswick has the largest per capita debt of any province in Canada. We pay the highest taxation of any province in Canada. A few years ago when I happened to be in London I met Sir Andrew Rae Duncan, the man who was responsible for the Duncan report. He asked me what part of Canada I came from. I told him New Brunswick. He said, "You are long-suffering people in the maritime provinces". He told me about making his report for the betterment of conditions in the maritime provinces. He said, "That report has never been implemented. If you depend on the rest of Canada I fear that it never will be implemented". It is on account of the treatment that we have received in the past, not only in the matter of representation, but in the matter of taxation, that we fear this method of amending the British North America Act.

I might also refer to other amendments of the British North America Act. When the territory of Quebec was extended, which was done by an amendment to the British North America Act, we in the maritime provinces received no compensation, although we had helped to pay for the Hudson bay territory which was bought by the dominion government and taken over at that time. The same was true of the boundaries of practically every other province in Canada. Our boundaries were fixed by the British North

America Act. The province of Nova Scotia could not expand. New Brunswick could not expand, neither could Prince Edward Island. While we helped to pay, and while I believe these territories belonged in part to these provinces down by the sea, we received no compensation.

We hear hon. members in different parts of the house say that we in the maritime provinces have received special favours as far as representation is concerned. The British North America Act was passed, first, to unite this country into one great dominion; second, to protect minorities; and third, to protect the people who lived in the smaller provinces not only for the time being but for all time. I am emphasizing this because I believe that, unless the provinces are consulted when amendments are made to the British North America Act, they may suffer in the future. These are matters which are not under the jurisdiction of the provinces.

If for instance the representation was under the exclusive jurisdiction of the provinces we would need have no fear; but this is something which is under the jurisdiction of the federal house. The same applies in the matter of financial arrangements which have been made with the different provinces.

Some time ago I spoke on the matter of redistribution, and on that occasion I quoted a statement made by Sir Wilfrid Laurier in 1907 regarding confederation. We have heard it stated continuously in the house that confederation is not a compact. However, we find that in 1907 Sir Wilfrid Laurier said:

> Confederation is a compact, made originally by four provinces, but adhered to by all the nine provinces, who have entered it, and I submit to the judgment of this house and to the best consideration of its members, that this compact should not be lightly altered. It should be altered only for adequate cause, and after the provinces themselves have had an opportunity to pass judgment on the same.

Those are the words of a leader of the party of hon. members opposite. He was addressing his remarks to the then hon. member for York, Mr. Crocket, and said:

> My hon. friend from York, New Brunswick, stated in the course of his argument that we have announced in the speech from the throne that we are going to ask parliament to alter the financial terms of confederation. That is very true; but my hon. friend should know that we did not come to that conclusion except after conference with the provinces and after all the provincial governments had united in a prayer for the same.

That was a matter of financial arrangement, and Sir Wilfrid Laurier said at that time that they did not come to any agreement until they consulted all the provinces. Surely the arrangements we wish to make regarding the change in our constitution are just as important as was the financial arrangement of 1907.

[Mr. Brooks]

Sir Robert Borden spoke on the same day. I think all hon. members will agree that he was a great constitutional lawyer. On that occasion he said:

> I agree with what has been said by the right hon. gentleman regarding the undesirability of lightly amending the terms of our constitution and am inclined to agree with him on the necessity of some consultation with the provinces, although of course all the provinces are represented here. But inasmuch as this is a federal compact which we are asked to vary, it is only right that each province should be consulted and its decision given, in the right of its separate entity. But I am not inclined to agree altogether in some of the suggestions urged by my hon. friend.

I have many other quotations here, but I shall not weary the house by quoting them. Most of them have already been placed on *Hansard*.

Another point has been brought up, namely the suggested inferiority complex of the Canadian people brought about by their having to go to London so often to have our constitution amended. I have seen very little inferiority complex among the people of Canada. We in the maritime provinces fear more the superiority complex of some of our friends from other parts of Canada than we do any inferiority complex which has manifested itself.

Canada is a nation, and has been a nation for many years. I remember reading as a schoolboy some lines of Kipling written over fifty years ago, where he said, in pointing out that Canada was at that time recognized by the British people:

> A nation spoke to a nation,
> A queen sent word to a throne:
> "Daughter am I in my mother's house,
> But mistress in my own."

England recognized Canada as a nation in those days; she recognized her as mistress in her own home. I am sure that there was no inferiority complex to be found among the men who took part in the first war. They held their heads high, and felt that as Canadians they were the equal of, indeed if not better than any people with whom they came in contact. The same was true of the men in the second world war. If there was any inferiority complex in Canada, certainly it was not from the men who made Canada the great nation she is. If such a complex has ever existed it may have come from those who possibly did not see the necessity of bearing the burden at that time as did some others.

In closing I would make only two points. The first is that, whatever is done, provision should be made for the protection of the smaller provinces which, I contend, are not in a position either financially or in the matter of population to protect themselves. In my province we always look to the privy council for protection. I have no doubt that

the government's intention will be carried out; there is no question in my mind about that. I have no doubt that whatever amendments the government wishes to make it will make. I do appeal to them however to make amendments such as will protect those of us in the smaller provinces. We would prefer to have the provinces consulted, and I feel they should be consulted in all matters pertaining to their future.

I hope, too, that whatever changes are made in the constitution, within the ambit of that constitution there will grow in Canada a stronger nation, and that in future there may be no suggestion of any inferiority complex. We have had none in the past. I believe it is the destiny of this Canada of ours to become the greatest nation in the British commonwealth. I trust that, whatever is done in this parliament, it may be done with that object in view.

Mr. Jean François Pouliot (Temiscouata): Mr. Speaker, I do not intend to speak at great length. I have no quotations from the dead or from big books to offer. Since the beginning of this debate there have been countless quotations from big books or from the speeches of the illustrious dead. These provide interesting reading. However, if we are going to go on like that I suggest we might better adjourn to the library or to the reading room, so that everyone would have an opportunity of becoming a bookworm.

I like better to hear a personal opinion expressed by any one of my colleagues. That is why I enjoyed so much the first portion of the speech by the hon. member for Royal (Mr. Brooks), wherein he voiced the grievances of the maritime provinces. And although I am a great admirer of Sir Wilfrid Laurier and of the other gentleman he quoted, this time I suggest we should consider the proposal before us. I have already congratulated the Prime Minister (Mr. St. Laurent) upon his courage in taking this stand to amend the constitution. It is a difficult task. But where would we be if we followed the suggestion made by Mr. Beauchesne before the committee in 1935 and attempted to draft a constitution before a constituent assembly of 225 members? Whoever would think of doing that? We would have something like what happened in France at the time of the *assemblée constituante*. It would be nothing but chaos and a tower of Babel. It could not be otherwise.

As hon. gentlemen know, the work of the many must be preceded by the work of the few or sometimes by the work of one man. There are those who prepare drafts of legislation or of the work to be handled by a committee so that there may be unity in the subsequent work that is done. There should be direction; there should be a start. First there should be the decision and then something should be offered to the legislative body which is concerned.

Complaints have been made by hon. gentlemen on the other side who are brilliant members of the bar that this matter should be discussed in committee of the whole. That is not necessary because this address will be followed by a bill which will go through all the stages of ordinary legislation—

Some hon. Members: No.

Mr. Pouliot: —first reading, second reading, committee of the whole—

Mr. Fraser: This is just a resolution.

Mr. Knowles: This goes direct to His Majesty.

Mr. Pouliot: This is an address to the British government asking the right for the parliament of Canada to amend our constitution. That amendment will be made by the parliament of Canada, not by order in council. Who would ever think of that? If the amendment to the constitution is made by the parliament of Canada it will be done by means of legislation in connection with which each hon. member will have an opportunity to ask questions of the government.

Mr. Knowles: If the hon. member is now referring to amendments to the constitution that may be made by this parliament after this measure passes, then I agree with him.

Mr. Pouliot: Exactly. My hon. friend should have agreed at first.

Mr. Knowles: That is not what the hon. member said at first.

Mr. Pouliot: That disposes of the objection that no questions may be asked.

Mr. Knowles: Just to be clear. When could an hon. member ask questions of the government?

Mr. Casselman: When it is too late.

Mr. Pouliot: The hon. member made one suggestion with respect to holding a session of parliament every year and the term of a parliament, and apparently that was the principal thing that interested him. The question now is not whether amendments will be made at this time; the question is to get permission for this parliament to make amendments later on by means of regular legislation. There would then be an opportunity for all members to ask questions of the government and when that is done I assume that most hon. members will have their minds satisfied by the answers given.

British North America Act

Strong arguments have been put forth by those who contend, on the one hand, that the British North America Act is a compact or contract and those who, on the other hand, contend that it is imperial legislation. It is quite easy to solve that problem; nothing is simpler. In the first place, unquestionably it is an agreement. All we have to do is look at the Quebec resolutions passed in 1864, at the London resolutions adopted at a conference of delegates from the provinces of Canada, Nova Scotia and New Brunswick held at the Westminster Palace hotel, London, December 4, 1866, and at the British North America Act which was assented to on March 29, 1867.

It is clear that the fathers of confederation proceeded by stages. They met first in Charlottetown, adjourned to Quebec, and then to London. While in London they discussed the matter further with the British government. The British North America Act is not composed of the text of the London resolutions, and the London resolutions were not composed of the text of the Quebec resolutions. The British North America Act indicates that there was progress in the discussions, that finally agreement was arrived at and there was a drafting of the act. Not only was there agreement itself; that agreement is wrapped up in an imperial statute. Every time an amendment was made to the constitution the bag was opened.

The main essence of the British North America Act is to be found in the separation of the powers. I have just noted the number of times that the words "exclusive" and "exclusively" are repeated in the two sections which deal with the distribution of powers between parliament and the various legislatures. Section 91 reads:

> It shall be lawful for the Queen, by and with the advice and consent of the Senate and House of Commons, to make laws for the peace, order, and good government of Canada, in relation to all matters not coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces; and for greater certainty, but not so as to restrict the generality of the foregoing terms of this section, it is hereby declared that (notwithstanding anything in this act) the exclusive legislative authority of the parliament of Canada extends to all matters coming within the classes of subjects next hereinafter enumerated, that is to say,—

Then paragraph 29 of that section reads:

> Such classes of subjects as are expressly excepted in the enumeration of the classes of subjects by this act assigned exclusively to the legislatures of the provinces.
>
> And any matter coming within any of the classes of subjects enumerated in this section shall not be deemed to come within the class of matters of a local or private nature comprised in the enumeration of the classes of subjects by this act assigned exclusively to the legislatures of the provinces.

[Mr. Pouliot.]

Now I come to section 92, concerning the exclusive powers of provincial legislatures:

> In each province the legislature may exclusively—

"Exclusively" again.

> —make laws in relation to matters coming within the classes of subjects next hereinafter enumerated, that is to say...

In section 93 the question of education is dealt with, and in each province the legislature is given exclusive power to make laws concerning this matter. Then we come to section 130, which provides:

> Until the parliament of Canada otherwise provides, all officers of the several provinces having duties to discharge in relation to matters other than those coming within the classes of subjects by this act assigned exclusively to the legislatures of the provinces shall be officers of Canada . . .

and so on. It strikes me that the important parts of the act concern the distribution of powers as between Ottawa on the one hand and the provinces on the other. It is abundantly clear that the principle which guided the fathers of confederation in the first place and those who sponsored the act in the second place was to apply to the dominion and the provinces respectively the doctrine "Mind your own business." I believe that is clear. Ottawa was given exclusive jurisdiction to do certain things. On the other hand the provinces were given exclusive jurisdiction to do other things. And so there would be no controversy, no conflict of jurisdiction, it was established in the most definite manner. If in turn the dominion or the provinces have applied to the courts regarding encroachments upon the jurisdiction of the other, it was because in each case someone was complaining that the other party had transgressed the provisions of the act. So the separation of powers was the principal part of our constitution and I do not see how it could be otherwise, unless you wished to change the whole thing from A to Z. But it is an entirely different matter to deal with what concerns only this parliament, without touching what has been left to the exclusive jurisdiction of the provinces.

It is said also that the British North America Act protects the rights of minorities with respect to separate schools and the use of official languages. So there may be no misunderstanding I shall put on record the text of section 133, concerning the use of the English and French languages:

> Either the English or the French language may be used by any person in the debates of the houses of the parliament of Canada and of the houses of the legislature of Quebec; and both those languages shall be used in the respective records and journals of those houses; and either of those languages may be used by any person or in any pleading or process in or issuing from any court of Canada established under this act, and in or from all or any of the courts of Quebec.

The acts of the parliament of Canada and of the legislature of Quebec shall be printed and published in both those languages.

That is all we have with respect to the protection of the English and French languages. We can hardly say that is great protection for the French language, and in that respect the constitution has been overrated. With respect to separate schools we have section 93, which hon. members have read and with which they are familiar. That is all.

The Prime Minister (Mr. St. Laurent) spoke of the distribution of powers as between the central government and state or provincial legislative and government bodies; and at page 831 of *Hansard* he had this to say:

Another consequence of the fact that there is no procedure indicated in the British North America Act for its amendment is that there is no prescribed legal protection in that act for the fundamental provisions of our constitution.

Then on page 832:

It is our own responsibility to see that the fundamentals of the Canadian constitution are protected and preserved.

Then, quoting what he had said at Moncton, he went on to say at page 833:

The record of Canadians in two world wars demonstrated beyond any question our ability and our capacity to bear the responsibilities of full nationhood. But our adult nationhood is not yet fully recognized in our constitution and our laws... A method should be worked out to amend our constitution in Canada.

That won't be easy.

That is true.

We do not want the Canadian constitution to be too rigid, but we do want to make sure it contains the fullest safeguards of provincial rights, of the use of the two official languages, and of those other historic rights which are the sacred trusts of our national partnership.

It is our intention after the election to consult the provincial governments with a view to working out a method, which will be satisfactory to all Canadians, of amending the constitution in Canada.

If we are to reaffirm the declaration of the rights of minorities, so much the better. It would be a fine gesture for the parliament of Canada to reaffirm, in a stronger and more decisive manner, what was indicated eighty-two years ago. Here I must tell you, Mr. Speaker, how satisfied I was to listen to all the speeches that have been made, especially the speech by the leader of the opposition (Mr. Drew). He said something I appreciated greatly, something I have never before heard from any leader of his party. At page 837 of *Hansard* the leader of the opposition said:

There is no suggestion that we must assert our sovereignty, or declare that we are no longer under any limitations. We have asserted that; we have demonstrated that, and we all believe it.

Well, what is the difference between sovereignty and independence? It shows that the wind is turning. Progress is being made towards Canadian emancipation. On the other hand, we cannot get away from the tradition that has been established in this country. Our ancestors had to fight for their liberty. It was not given to us on a silver platter. Those who contend that it was, ignore and distort history.

At first, our forefathers had great difficulties. They had difficulty in managing their own finances, and they fought for responsible government. I can speak of this because my great-grandfather voted for the ninety-two resolutions that established responsible government in this country. When Baldwin was defeated in York my great-grandfather gave his seat to him. My grandfather voted against confederation. His fear was that it would be a legislative union. My father supported Sir Wilfrid Laurier, who was the leader of the party at the time, and I am satisfied to support the Prime Minister as well as I can in his endeavour to do something that is really a gesture of fine Canadianism.

There may be some disagreement. No one expects unanimity at first in the drafting of such an important piece of legislation as the constitution of this country. I am sure that if the Prime Minister, the Leader of the Opposition and the leaders of the other two groups met with the premiers of the provinces, these sons of Canada would do an even better job than was done by the fathers of confederation. It may seem surprising at first, but the only way in which we can arrive at an understanding in the drafting of that part of the constitution which concerns the parliament of Canada is to weed out all the obsolete sections and redraft that act in the same spirit as it was drafted in the first instance.

It is seldom, sir, that the necessary distinction is made between what is ancient and what is antiquated. Some parts of the constitution are antiquated, but it is not because the constitution was drafted and passed eighty-two years ago that it should be changed. I hope that the good spirit that has prevailed in this house since the beginning of the debate will continue until we have a new constitution, which will be accepted not only by this parliament but by all the provinces of Canada. It is my earnest hope because we are now building for the future.

Why should so much importance be given to the opinions of some people who have made a study of this question? Their opinion does not count in this house. They come from outside. They have given some thought to our problems, but why should we quote their books as if the words were gospel. Let the members express their own views. The people of Canada are much more interested in those views than in the views of any

author. Let the members support their own opinions by reading the text of the constitution. I am sure all members have done so, but perhaps it would be a good thing to read it again. Then, everyone might realize there is so much good in it that we cannot dispense with it entirely.

For many years, sir, I was concerned about the future of this country. During the war, the policies of all parties and groups were the same with regard to the relations between Canada and Great Britain. In my heart I thought that the destiny of the Liberal party should be to serve Canada first. I expected my party to be a real Canadian party. For many years I waited and suffered in silence, as I said last year. It was only after the present Prime Minister took over the reins of government that we realized the country was advancing in the right direction in matters that have been discussed here with sincerity. I am sure that if the present Prime Minister had not been the leader of the party during the last election, the result would have been different. If he was returned to power with a large majority, it was not due solely to his speech in Moncton about amending the constitution. It was due to the fact that he made speeches in every constituency and appealed to the heart and common sense of the people. A tremendous response was given him because the people realized he was sincere, and was doing his best to promote the welfare and the happiness of our citizens.

I cannot speak much longer, but I sincerely hope that no amendments prejudicial to national unity will be sponsored by this government. I am sure that will not be the case. I shall ask my colleagues, and I shall urge upon them, the necessity of showing the same spirit in this house as should prevail at a meeting of those who would be called to draft a new constitution. The speeches that have been made during the course of this debate are a credit to each member. I make no exceptions. Whether the members spoke from this side or the other side of the house, they have done their best. Sometimes they have used hasty words, but that is of no consequence. The tenor of the debate has been good. I congratulate all my colleagues on what they have done; I congratulate the government. I again wish them success. I hope that there will be amicable discussion with the provinces of all phases of the act. I also hope that the provinces will show the same spirit as Ottawa has shown. There is no question of encroaching upon the rights of anyone. If the thing is done by the legislation that would follow the permission to amend the constitution, they will all be there to see to it and to defend the traditions of the past.

[Mr. Pouliot.]

But I will tell my friend the hon. member for Cape Breton South (Mr. Gillis), whom I admire, and who has the natural gift of eloquence and persuasion, that he should come to the province of Quebec. It is a bit late now, but next summer if he wishes to come to my constituency I will drive him around and will give him the opportunity of meeting the people of my province. Then I am sure that he will change his views.

Mr. Gillis: May I say this, Mr. Speaker, to the hon. member for Temiscouata (Mr. Pouliot). In my short discussion on this particular subject I had nothing to say about the people of the province of Quebec. I did have something to say about their premier.

Mr. Pouliot: We will go to see him together.

Mr. Church: May I ask the hon. gentleman this question: Where do we go from here if this resolution passes?

(Translation):

Mr. Paul E. Gagnon (Chicoutimi): Mr. Speaker, on June 19, 1946, during the debate on redistribution, I stated, in this house, that the British North America Act was a compact which could not be amended without the consent of the parties thereto.

The resolution before us gives me the opportunity of coming back briefly to this argument and of pointing out once again that the consent of the provinces is needed to amend the Canadian constitution. The late Minister of Justice, the Right Hon. Ernest Lapointe, whose name has been repeatedly mentioned in the debate, stated in this house in 1925 that confederation was based on a compact between the provinces who reached a compromise and granted certain rights to the federal authority, but the central power may not alter the constitution without first securing the permission of the provinces, which are responsible for it and work with the federal authority under a well-balanced division of powers and responsibilities. Sir Robert Borden, during the course of a debate, also stated:

> There is no need of changing the terms of our constitution and I am inclined to believe that it would be necessary to consult the provinces.

It is also the opinion of Mr. Arthur B. Keith, an authority on constitutional law. In his book "Responsible Government in the Dominions" he states that it was explicitly recognized by the imperial government in 1907 that confederation is a pact which cannot be altered without first obtaining the consent of the provinces. Lord Carnarvon and Viscount Haldane, both eminent jurists, were always of that opinion. The same applies to the fathers of confederation, Sir John Macdonald, George Brown and Thomas D'Arcy McGee, who said:

> The document on the clerk's table is a contract.

I now come to Lord Sankey who stated:

(Text):

The process of interpretation as the years go on ought not to be allowed to dim or to whittle down the provision of the original contract upon which confederation is founded.

In 1938, in the minimum wage case Lord Atkin, in delivering the decision of the privy council, speaks of the distribution of powers between the dominion and the provinces under the act as "the interprovincial compact".

The attitude of Downing street may be found in a dispatch of March 18, 1865, to the Hon. Arthur Hamilton Gordon, Lieutenant Governor of New Brunswick. The cordial approval of the proceedings of the Quebec conference is here given.

Measures based on the plan drawn up by the delegates at the Quebec conference would be submitted to the imperial parliament if the provincial legislatures should sanction that plan.

It is evident from this undertaking that the right was conceded to the provinces to conclude an agreement which was in the nature of a treaty among themselves.

(Translation):

In pretending that the B.N.A. Act is only a statute, the Prime Minister sets aside the aside the unequivocal opinions and expressed views of statesmen and jurists such as Alexander Campbell, Langevin, Cartier, Galt, Taché, Adderley, Laurier, Mercier, Meighen, Ferguson, Bennett, Borden, Mignault, Loranger, and others. He asserts that we have been wrong for eighty years and that we must henceforth abide by his point of view with respect to the act of 1867. And yet, since the time of confederation, all our leaders, without exception, have recognized that it is impossible to amend the B.N.A. Act without consulting the provinces.

Mr. Speaker, I am convinced that never would the French Canadians have agreed, in 1867, to the passing of a law liable to interpretation and amendment according to the wishes of only one of the contracting parties. If it had been the intention of the fathers of confederation to wrong us, to deceive us and to leave us at the mercy of an encroaching central power, they would simply have deprived us by stealth of our rights and prerogatives, taking away from us the freedom to live as we thought fit, to be our own masters. In that case, we would not be bound to observe the provisions of this act. Lower Canada did not want a legislative union and we do not want it any more today.

Mr. Speaker, no province is as highly concerned as the province of Quebec with the procedure to be followed in amending our constitution.

Because of our mentality, our traditions, our language and our faith, this is a vital matter. Let us not forget that in 1867, at the time of confederation, the province of Quebec negotiated on an equal footing with the other provinces and represented, above all else, a national entity. Nowadays, people scoff at our claims. Yet, the hundreds of millions of dollars which, every year, we pour into the dominion treasury should give us a voice in the affairs of the country.

Confederation was more than a pact between nations; it was also a pact between two great races. No one can amend the British North America Act without consulting the province of Quebec, cradle of the French-speaking community in Canada. The Canadian state owes its existence to the provinces that brought it into being. These same provinces also continue to provide it with the funds it needs to survive.

If the British North America Act does not afford sufficient protection for the rights of the provinces, what assurance have we that future amendments will guarantee us more? Under the pretext of rendering our constitution more pliable, they are endangering rights and prerogatives that are much more important than such pliability itself.

The constitution is above the federal government; it cannot be amended by that government alone since it is the result of a compact between New Brunswick and Nova Scotia, as well as Upper and Lower Canada—that is Ontario and Quebec—to which were subsequently added our other provinces. We are told about this procedure not having been followed in the past, and about the number of times the constitution was amended without prior consultation of the provinces. We are now asked to add a new precedent to those already established. We do not wish to be tied down by what has already been done; we refuse to be the accomplices of previous violations. If we did not act properly several times, are we justified in doing it over again? Repeated illegalities have never produced anything legal. There is no clause in the British North America Act indicating the way in which it can be amended. Was that omission not deliberate?

The province of Quebec is now being attacked because it has no faith in the gospel of centralization. Yet we know very well that Messrs. Mercier, Gouin and Taschereau, former liberal prime ministers of my province, were violently opposed to centralization and highly in favour of provincial autonomy. The men are no more, but the doctrines and principles remain unchanged.

In establishing the supreme court, whose judges are appointed by the governor in

council, as the final tribunal on constitutional disputes, this parliament, which determines the powers and duties of those judges, thereby indicates that henceforth our constitution will be amended at the discretion of the party in power. So much the worse if a mistake is made. In fact it is not easy, as was seen in the past, to determine what matters come under the central power's jurisdiction and what matters are within the purview of the provinces.

(Text):

Writing in the Toronto *Saturday Night* on September 27, Mr. B. K. Sandwell said:

> Many of the provincail fields have extremely vague boundaries and these boundaries could be contracted without the slightest trouble by an amendment merely asserting a hitherto uncertified power of the dominion. Civil rights, as a provincial field, could be reduced to the area which it occupied in the 'seventies, before the provincializing tendency began, by merely enacting that the dominion has power to do things which it actually did in that period but which later judicial decisions prevent it from doing except under the emergency doctrine. A sympathetic supreme court would declare that this amendment relates "to matters not coming", et cetera, and there you are; the thing is done.
>
> The provinces will certainly maintain that they have rights, or at any rate vested interest, extending far beyond the limits of section 92. The definition of the powers to be vested in parliament would certainly, for example, enable it to reduce the number of members sent to Ottawa by Prince Edward Island, which is specially provided for by the constitution but has nothing whatever to do with the jurisdiction of the provincial legislature.

(Translation):

We are exhorted to have respect for and confidence in our judicial system; we hear a lot—and rightly so—about the integrity of those who hold the foremost place in that system. Fine, I am all for it. However if we want that system to remain what it is, if we want justice to be above politics, we should not confront judges with the alternative of having to displease the party who chose them or the members who set the limit of their sovereignty.

Being free of the necessity of going to Westminster to amend our constitution is one more step towards our final emancipation. I am highly pleased about it but that liberating step should not be taken at the expense of the sacred agreements which were signed in 1867. The adoption of the procedure suggested by the government would place before the provinces a *fait accompli*. We would bring them into subjection, deprive them of their autonomy to make that of Canada more secure. Might has never made right, and I do not think that the procedure resorted to today by the federal government is likely to promote harmony and good understanding between the different parts of this dominion. Certain provinces want to be consulted; well, let them be consulted! Good manners would at least require that they be informed as to the way in which it is intended to proceed to destroy the last trace of their autonomy.

The extreme haste displayed by the government authorities in the settlement of this all-important matter is surprising and disturbing to those who are concerned with Canada's future.

We are assured that not one minority right is endangered at present, but who knows what tomorrow has in store? The effects of this measure will be felt much later. The future generations may deplore our having thus upset the constitution of 1867 which, although it was not always very efficient in preventing encroachments by the central power, has at least restrained efforts of centralizers. If dominion governments had always respected the spirit of the constitution, if part of the population had not been brought, through propaganda and election speeches, to believe that the time had come to modernize the British North America Act, that the latter no longer met the needs of the Ottawa politicians; if instead of a constant effort toward centralization, an endeavour had been made to bring about a decentralization of powers and administration we would not witness the jurisdiction conflicts which confront us today.

The refusal on the part of the Prime Minister to consult the provinces before taking action is more than regrettable, and I desire to register my protest in this regard.

(Text):

Mr. Angus MacInnis (Vancouver East): Since it is so late in the evening and since we have had so much fine debating I hesitate to rise to take part in the debate. My only reason for doing so is to show how the question before us appears to an ordinary Canadian like myself unlearned in the art of analysing constitutions.

Before I start to develop the points I wish to make I want to make it abundantly clear that I am personally supporting the resolution that is now before us. I am supporting it because, first, I do not believe that it interferes in any way with the rights of the provinces; second, I believe that it would be a mistake for this government to approach the provinces before it has gone as far as it is possible to go without that consultation. I believe that it would weaken the position of this government and be a disservice to the country to do that.

I think we have made progress. We all agree on at least one point, namely, that we should take to ourselves here in Canada the full power to amend our constitution. So far I have not heard any difference of opinion on that point. Our disagreement arises when

we begin to consider how we are to take to ourselves that power. I will agree at once that there are legitimate grounds for differences. The government proposes to make the change in two steps, the first of which is proposed in this resolution, whereby we should petition the parliament at Westminster to amend the British North America Act where matters concerning federal jurisdiction only are concerned.

The question has been raised as to who shall define the field as between federal and provincial jurisdiction. It seems to me that that is not a difficult question to answer. If this resolution carries, and if the British parliament makes the change asked for, the line between federal and provincial jurisdiction will be defined as it has always been defined, namely, by the courts of the country.

After this resolution is passed and the amendment is made, if the federal parliament encroaches upon the field of provincial jurisdiction, I am quite sure the courts will declare such action ultra vires, just as it would have been ultra vires before the passing of this resolution. I do not believe, therefore, that there is any great difficulty in that respect.

This party agrees with the government's method of amendment. As I have already said, we believe it would be bad policy to approach the provincial governments seeking agreement with them on this first step. It might not be possible to come to agreement, and I doubt if we would be then in as good a position to proceed with this resolution as we are today. The official opposition and the Social Credit party disagree with this method, and, as I said before, there are legitimate grounds for disagreement. In my opinion, however, the argument is now all in favour of the government's method. Like the hon. member for Temiscouata (Mr. Pouliot), I am not greatly impressed by quotations from the speeches and opinions of the great men of the past. I must admit however that I was rather surprised to hear the hon. member for Temiscouata make that statement, because of his profession—a profession in which nearly all opinions are based upon some hoary and musty precedents of ancient times.

Mr. Knowles: He went back to his grandfather.

Mr. Knight: *Stare decisis.*

Mr. Knowles: That was his grandfather.

Mr. MacInnis: I am of the opinion that it is much more difficult to be a great man under the conditions we have today than it was to be a great man at the time of either Sir John A. Macdonald or Sir Wilfrid Laurier. I think, too, that we have today men who are just as great as were those men, great as they appear to have been. Perhaps they only seem great to us, because we know them only by tradition. I should not like to detract anything from that tradition which has grown with the years. While a person sitting as I do on the opposition side of the house should always be careful not to give comfort to the enemy, I am of the opinion that the present Prime Minister (Mr. St. Laurent), when history is written, as the Minister of Labour (Mr. Mitchell) would say, will stand up with the best of them.

Mr. Smith (Calgary West): And you say it in a kindly way.

Mr. MacInnis: Yes. I hope that will not be used against me at some future time.

An hon. Member: You will not get to the Senate that way.

Mr. MacInnis: Well, you can't say I didn't make a good try.

Those were placid and simple times in comparison with the swift-moving conditions which the statesmen of today have to meet. And here may I point out that it is world economic conditions, and how those conditions affect Canada, that cause us to give so much attention to changing our constitution. Changes have become necessary to meet the needs of today, which have changed so much since 1867.

It is really only since the thirties that there has been any great demand in this country for constitutional changes. The need for change began to become apparent around that time, because under the British North America Act the provinces were charged with responsibilities they did not have the resources to discharge. And we will soon reach the same condition again, when the post-war period of prosperity is over, where the provinces will not be able to discharge the responsibilities given them under the constitution. When that day comes the provinces themselves in conjunction with the federal government will initiate and work out the changes that will be necessary to enable them to discharge the responsibilities with which they are confronted.

This afternoon the hon. member for Lake Centre (Mr. Diefenbaker) referred to an amendment moved to a resolution in the house in 1925 by the former leader of this party, the late Mr. Woodsworth. He pointed out that Mr. Woodsworth wanted changes made only with the consent of the provinces. Like other men—and I think like all other men whose opinions are worth anything—Mr. Woodsworth held his views only so long as they were supported by facts. If the facts no longer support them, it would be a foolish man indeed who continued to hold the same opinion.

I find that in volume I of *Hansard* for 1935

British North America Act

Mr. Woodsworth introduced a resolution, to which reference has already been made, asking the house to set up a special committee to study and report on the best method by which the British North America Act might be amended. In support of that resolution he said, as reported on page 219 of *Hansard*:

> Further I think it is fairly generally conceded that the consent of the provinces is not necessary, at least from the legal standpoint. There was a time when we were told that we could not amend the British North America Act without the consent of all the provinces, that in fact confederation was something in the nature of a treaty and that it could not be changed without the consent of all parties. I think that theory has been absolutely discarded, and we need not continue to debate it.

Then on page 218 of the same *Hansard* appears a report of what the late Mr. Lapointe said on May 11, 1931, which reads as follows:

> Again I say that to insist on having the consent of all the provinces to every change would be asking almost an impossibility; to ask that either British Columbia in the west or Prince Edward Island in the east should be able to block a change with which it is essential for the federal power to go ahead within the limits of its jurisdiction on certain matters, I do not think would be right; but on essential matters, such matters, for instance, as the protection of minorities, of language, of schools, as they are inserted in the British North America Act, I believe it should not be possible to make a change without the consent of all.

The matters mentioned by Mr. Lapointe, which were not to be interfered with are the same as in the resolution now before us. I think that his is the only position anyone can take. The hon. member for Lake Centre (Mr. Diefenbaker) made what I thought was an unfavourable comparison between the constitutions of Canada and the United States. He mentioned that there was no charter of liberty or declaration of the rights of man in the Canadian constitution. I think if history has demonstrated anything it is that paper constitutions are very poor things on which to lean. I think history has amply proved that if freedom, liberty, toleration and justice are not written into the traditions, habits, hearts and souls of a people, there is little protection in a written constitution, as so many people in the United States and elsewhere know at the present time and have known for many, many years. I think I can give this house a good example of the value of written constitutions by quoting from "Men and Politics" by Louis Fischer. I think most hon. members have read this book as it was a "best-seller" a few years ago. Referring to the Soviet union he says this at page 335:

> The constitution, now the supreme law of the Soviet union, does two things: It describes a system of government and it enunciates a bill of rights. The bill of rights is inspiring. But there is nothing in the system of government to safeguard the rights. The popular enjoyment of the rights thus depends on the good will of the person or persons who control the government, and they have chosen to ignore the right. One of the latest violations of the bill of rights is the introduction of payment for tuition in high schools and colleges. This contravenes article 121 of the constitution which says:
>
> "Citizens of the Soviet union have a right to education. The right is implemented by universal, compulsory, elementary education and by free education, including university education."
>
> The government did not ask the people or parliament whether it could introduce paid education. The constitution was not amended to allow paid education. The government simply decreed paid tuition by ukase and that was all there was to it except for the pain in the hearts of many silent people.

I do not say that, in a country such as Canada where government by majority has been accepted for so long a time, where it has become a tradition in the minds and hearts of the people, safeguards in our constitution are not a good thing. That is why I support the resolution with the safeguards that were originally in it as well as those which have been added by the amendment moved by the hon. member for Winnipeg North Centre (Mr. Knowles) and the amendment to that amendment moved by the Minister of Justice (Mr. Garson).

On motion of Mr. MacInnis the debate was adjourned.

BUSINESS OF THE HOUSE

Mr. St. Laurent: It is understood that the debate on the budget resolutions will be resumed tomorrow. If it is completed or adjourned the Minister of Transport will proceed with his motion for the second reading of Bill No. 12. The minister intends to ask that it be referred to a committee as soon as second reading is completed. Then the Minister of Veterans Affairs would resume discussion of his estimates. If they are completed, they would be followed by the estimates of the Department of Transport.

Mr. Graydon: May I ask the Prime Minister if some time before tomorrow at three o'clock the clock behind him might be fixed. I would not like to see the government continue to be so far behind the times as they have been this afternoon.

Mr. St. Laurent: We were ahead of the times by a couple of hours according to that clock. Perhaps I should mention that it is hoped that during the hour from eight to nine, if private bills can be disposed of, we will continue with the debate on the second reading of the bill standing in the name of the hon. member for Kamloops to amend the Criminal Code in connection with the portrayal of crimes.

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

APPENDIX

TO

THE BUDGET, 1949-50

Budget Papers presented by the
Honourable D. C. Abbott, M.P., for the
information of Parliament on the occasion of the
Budget of 1949-50

BALANCE SHEET OF CANADA, FOR FISCAL YEAR ENDED MARCH 31, 1949

SUMMARY OF REVENUES AND EXPENDITURES FOR THE FIVE FISCAL YEARS 1944/45 TO 1948/49

Detailed Tables of Revenues and Expenditures for the Five Fiscal Years 1944/45 to 1948/49

THE GOVERNMENT OF CANADA BALANCE SHEET AS AT MARCH 31, 1949

Liabilities—		
Floating Debt—		
Matured Funded Debt Outstanding	$ 35,873,098 41	
Notes and other obligations payable on demand	252,013,791 35	
Interest due and outstanding	81,998,853 34	
Outstanding cheques and warrants	73,911,985 06	
Post Office Account	6,902,102 70	
		$ 450,699,830 86
Deposit and Trust Accounts—		
Post Office Savings Bank	37,741,388 62	
Indian Trust Funds	18,642,641 60	
Miscellaneous	51,116,553 67	
		107,500,583 89
Insurance, Pension and Guaranty Accounts—		
Government Annuities	501,737,659 00	
Insurance and Guaranty Funds	69,895,221 27	
Pension and Retirement Funds	146,382,809 20	
		718,015,689 47
Deferred Credits		4,350,636 00
Sundry Suspense Accounts		59,617,634 02
Province Debt Accounts		11,919,968 64
Reserve for certain contingent liabilities		13,262,872 58
Funded Debt Unmatured—		
Payable in Canada—		
Bonds, Deposit Certificates, Treasury Bills and Notes	15,107,363,908 81	
Refundable Portion of Excess Profits Tax (estimated)	170,416,412 68	
	15,277,780,321 49	
Payable in London	9,256,258 44	
Payable in New York	298,000,000 00	
		15,585,036,579 93
		16,950,403,795 39
Assets—		
Cash and other Current Assets—		
Cash in Current and Special Deposits	$ 90,671,288 59	
Other Liquid Assets—		
Foreign Exchange Control Board Cash and Securities	1,071,192,875 33	
Securities Investment Account	455,769,619 14	
Working Capital Advances—		
Departmental	21,919,461 41	
Crown Corporations	20,705,420 54	
		$ 1,660,258,665 01
Loans to, and Investments in, Crown Agencies—		
Bank of Canada—Capital Stock	5,920 000 00	
Central Mortgage and Housing Corporation—Capital and Loans	115,500 000 00	
Canadian Farm Loan Board—Capital Stock and Loans	22,172,357 00	
Railway and Steamship Companies—Loans	764,792,373 38	
Miscellaneous	150,551,533 41	
		1,058,936,263 79
Other Loans and Investments—		
To Provincial and Municipal Governments	102,369,003 12	
The United Kingdom and Other Governments	1,923,783,302 78	
Canada's subscription to capital of—		
International Monetary Fund	300,003,150 00	
International Bank for Reconstruction and Development	65,035,750 00	
Miscellaneous	187,415,470 07	
		2,578,606,675 97
Province Debt Accounts		2,296,151 87
Deferred Charges—Unamortized Discounts and Commissions on Loans		65,784,892 49
Sundry Suspense Accounts		54,256,182 66
Total Active Assets		5,420,138,831 79
Less—Reserve for possible losses on ultimate realization of active assets		−245,869,188 38
		5,174,269,643 41
Net debt—		
Non-active Assets—		
Capital Expenditures	1,051,576,512 74	
Other	564,329,772 21	
Consolidated Deficit Account	10,160,227,867 03	
		11,776,134,151 98
		16,950,403,795 39

SUMMARY OF REVENUES AND EXPENDITURES

(in millions of dollars)

	Fiscal Year Ended March 31				
	1945	1946	1947	1948	1949
	$	$	$	$	$
Revenues					
Ordinary revenues	2,300·1	2,363·2	2,588·5	2,629·8	2,649·1
Capital refunds	0·7	0·4	0·1	0·1	0·1
Special receipts and other credits	386·5	649·6	419·3	241·8	122·2
Total Revenues	2,687·3	3,013·2	3,007·9	2,871·7	2,771·4
Expenditures					
Ordinary expenditures	767·4	1,061·9	1,236·2	1,380·0	1,573·4
Capital expenditures	3·2	4·5	11·2	15·7	18·5
War, demobilization and reconversion expenditures	4,418·4	4,002·9	1,314·8	634·4	425·6
Special expenditures	7·5	17·4	31·9	63·1	34·8
Government-owned enterprises	1·3	1·3	10·7	18·7	39·7
Other charges, including the write down of assets	47·8	48·2	29·4	83·7	83·9
Total Expenditures	5,245·6	5,136·2	2,634·2	2,195·6	2,175·9
Budgetary Surplus or Deficit (−)	−2,558·3	−2,123·0	373·7	676·1	595·5

STATEMENT OF REVENUES FOR THE LAST FIVE FISCAL YEARS

(Thousands of Dollars)

—	1944–45	1945–46	1946–47	1947–48	1948–49
	$	$	$	$	$
TAX REVENUE—					
Direct Taxes—					
Direct Taxes on Incomes—					
Individual Income Tax	767,755	691,586	694,530	659,828	762,564
Tax on Interest and Dividends	27,053	26,824	28,428	33,929	40,965
Taxes on Rents and Royalties	1,546	1,486	1,708	1,960	2,480
Corporation Income Tax	276,404	217,834	238,792	364,131	491,990
Excess Profits Tax	465,805	494,196	448,698	227,030	44,792
Total Direct Taxes on Incomes	1,538,563	1,431,926	1,412,156	1,286,878	1,342,791
Succession Duties	17,251	21,447	23,576	30,828	25,550
Total Direct Taxes	1,555,814	1,453,373	1,435,732	1,317,706	1,368,341
Indirect Taxes—					
Customs Import Duties	115,091	128,877	237,355	293,012	222,975
Excise Duties—					
Spirits, malt, etc	72,133	91,274	97,820	97,675	101,105
Cigars, cigarettes and tobacco	83,142	98,228	101,163	102,116	106,241
Licences	37	39	40	37	39
Less refunds	−3,390	−2,815	−2,979	−3,034	−2,733
Total Excise Duties	151,922	186,726	196,044	196,794	204,652
Excise Taxes—					
Taxes on Commodities—					
Sales Tax	404,109	326,253	328,073	383,012	390,174
War Exchange Tax	98,164	41,198	338	.....	.....
Automobiles, rubber tires and tubes	6,480	6,701	16,340	31,949	36,943
Beverages	19,442	16,657	18,635	23,767	27,689
Candy and chewing gum	12,874	11,904	13,277	18,279	19,888
Cigars, cigarettes and tobacco	62,306	70,229	76,318	68,606	77,665
Cigarette papers and tubes	6,658	4,645	6,943	6,419	6,999
Electric and gas appliances	4,057	1,272	7	2,824	3,894
Furs	5,217	4,976	3,102	3,139	3,693
Gasoline	29,671	29,836	36,220	2,208	.....
Matches and lighters	3,117	3,675	4,088	3,967	3,412
Phonographs, radios and tubes	1,112	646	2,526	5,325	3,562
Special excise on importations	545	787	1,185	2,113	279
Sugar	11,744	9,974	11,339	10,572	.....
Toilet preparations and soaps	6,347	7,107	7,522	7,146	7,757
Trunks, bags, luggage, etc	4,134	4,711	5,710	4,962	5,565
Wines	1,772	2,066	2,394	2,342	2,060
Sundry	2,977	3,811	5,109	4,716	4,700
Taxes on Amusements and Services—					
Amusements	12,284	13,387	14,552	15,369	2,483
Tax on pari-mutuel bets	1,904	2,188	2,510	2,519	105
Transportation and communication	24,205	26,893	27,931	27,531	29,034
Stamps, including payment of taxes on jewellery, chinaware, cabaret attendance, etc	18,296	21,697	24,437	24,300	22,725
Licences, interest and miscellaneous	369	302	313	376	382
Less refunds (mainly sales tax)	−194,719	−114,005	−29,845	−10,683	−12,871
Total Excise Taxes	543,065	496,910	579,024	640,758	636,138
Other Taxes—					
Chartered bank note circulation	350	270	220	188	166
Insurance Companies	7,182	7,951	8,796	3,004	3,339
Miscellaneous	702	751	690	613	531
Total Indirect Taxes	818,312	821,485	1,022,129	1,134,369	1,067,801
Total Revenue from Taxes	2,374,126	2,274,858	2,457,861	2,452,075	2,436,142

STATEMENT OF REVENUES FOR THE LAST FIVE FISCAL YEARS—*Concluded*

(Thousands of Dollars)

—	1944–45	1945–46	1946–47	1947–48	1948–49
	$	$	$	$	$
NON-TAX REVENUE—					
Post Office	66,056	68,613	72,978	77,759	80,604
Return on Investments	60,749	70,915	69,439	75,800	107,889
Bullion and coinage	4,586	4,954	2,098	1,731	3,253
Premium, discount and exchange	.....	.....	.....	3,736	.....
Other	14,080	16,322	16,355	18,745	21,202
Total Non-tax Revenue	145,471	160,804	160,870	177,771	212,948
Total Ordinary Revenue	2,519,597	2,435,662	2,618,731	2,629,846	2,649,090
SPECIAL RECEIPTS AND CREDITS—					
Refunds of previous years' Special Expenditure	53	20	10	7	16
Special Receipts—War and Demobilization	352,918	626,616	412,763	225,757	117,121
Donations to the Crown	177	161	170	138	69
Canadian Wheat Board—					
Reduction in Reserve Account	589	.....	.....	.....	.....
Surpluses in certain special accounts	2,625	.....	1,762	16	121
Canadian National Railways—					
Net credit due to increase in Canadian National Railways Securities Trust Stock (contra)	22,400	22,631	.....	.....	.....
Investment in Crown plants transferred to Active Assets	7,143	174	2,053	3,704	2,528
	385,905	649,602	416,758	229,622	119,855
Capital and Non-active Accounts—					
Capital Accounts—					
Refunds of previous years' expenditure	728	376	110	61	82
Non-active Accounts—					
National Harbours Board, reduction of indebtedness	19	.....	10	82	.....
1936 and 1937 Saskatchewan Seed Grain Loans Guarantees—					
Adjustment pursuant to The Western Provinces Treasury Bills and Natural Resources Settlement Act, 1947	.....	.....	.....	9,773	.....
Canadian National (West Indies) Steamships, Limited, reduction of indebtedness	549	.....	1,105	256	
Transfer to Consolidated Deficit Account from Capital Accounts	.....	.....	.....	158	
Write-downs to Consolidated Deficit Account—					
Canadian National Railways Securities Trust Stock-reduction due to retirement of equipment during calendar years 1946 and 1947	.....	.....	1,308	1,885	.....
Seed Grain and Relief Loans	36	45	54	63	45
Total Capital and Non-active Accounts	1,332	421	2,587	12,278	2,450
Total Special Receipts and Credits	387,237	650,023	419,345	241,900	122,305
Total Revenue	2,906,834	3,085,685	3,038,076	2,871,746	2,771,395
Less estimated amount of refundable Income and Excess Profits Taxes	219,500	72,500	30,200	.....	.....
Net Total Revenue	2,687,334	3,013,185	3,007,876	2,871,746	2,771,395

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS

(Thousands of Dollars)

—	1944-45	1945-46	1946-47	1947-48	1948-49
	$	$	$	$	$
ORDINARY EXPENDITURE					
Agriculture	9,424	10,319	13,300	16,311	20,376
Auditor General's Office	361	379	390	395	533
Civil Service Commission	461	479	593	665	771
External Affairs	1,910	4,522	5,128	7,195	8,676
Finance—					
Interest on Public Debt	318,995	409,134	464,395	455,455	465,138
Cost of Loan Flotations and Annual Amortization of Bond Discounts and Commissions	20,679	22,311	12,139	10,914	9,745
Premium paid on redemption of called bonds	.....	5,842	271	35	9
Subsidies to Provinces	14,445	14,447	14,383	33,394	17,095
Miscellaneous Grants and Contributions	531	617	95	113	147
Civil Pensions and Superannuation	325	293	253	224	190
Government contribution to Superannuation Fund	2,341	2,696	3,161	3,488	4,050
Old Age Pensions, including pensions to blind persons	32,187	(1) —	(1) —	(1) —	(1) —
Premium, Discount and Exchange	16,348	14,734	9,172	.....	.....
Compensation to Provinces under Dominion-Provincial Taxation Agreements—					
Income and Corporation Taxes	82,977	94,343	94,380	122,497	84,387
Gasoline Tax	10,357	3,709	.....	.....	.....
Administrative and Sundry Expenditure	4,724	7,569	9,599	11,313	14,729
Fisheries	2,159	3,262	3,599	4,097	5,158
Governor General and Lieutenant-Governors	223	227	252	239	242
Insurance	185	199	212	237	263
Justice	2,696	2,848	3,194	3,917	4,025
Penitentiaries	2,936	3,258	3,806	4,564	5,863
Labour	1,446	1,620	2,010	2,319	4,712
Unemployment Insurance Act, 1940—					
Administration	5,113	6,185	7,496	17,641	18,965
Government Contribution	12,746	12,514	15,200	17,500	20,103
Government Annuities—					
Payments to maintain reserve	257	294	977	332	11,408
Legislation—					
House of Commons	1,612	2,235	2,786	3,022	2,628
Library of Parliament	72	74	90	103	127
Senate	485	727	881	946	736
General	95	98	167	270	272
Chief Electoral Officer, including elections	179	3,091	144	151	287
Mines and Resources—					
Administration	168	164	173	268	366
Immigration	1,309	1,524	2,047	2,665	5,564
Indian Affairs	6,162	4,466	5,948	7,180	10,378
Lands, Parks and Forests	1,831	2,689	4,962	.....	.....
Lands and Development Services	.....	.....	.....	5,630	11,863
Surveys and Engineering	1,610	1,323	3,444	.....	.....
Special Projects	.....	.....	.....	2,554	126
Mines and Geological Survey	1,216	1,303	1,847	.....	.....
Mines, Forests and Scientific Services	.....	.....	.....	5,318	17,970
Munitions and Supply	19	.....	.....	.....	.....
Dominion Fuel Board Administration coal subsidies and subventions	2,737	(2) —	(2) —	(2) —	(2) —
National Defence—					
Administration and sundry services	67	127	253	615	1,127
Pensions—Militia Pensions Act	(3) —	(3) —	(3) —	(3) —	4,863
Government contribution to Permanent Forces Pension Fund	.....	.....	.....	(4) —	7,867

(1) See Department of National Health and Welfare.
(2) See Department of Reconstruction and Supply or Trade and Commerce.
(3) Included under Veterans Affairs.
(4) Included under Demobilization and Reconversion—Army, Navy and Air Services.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—*Continued*

(Thousands of Dollars)

—	1944–45	1945–46	1946–47	1947–48	1948–49
	$	$	$	$	$
ORDINARY EXPENDITURE—Con.					
National Health and Welfare	1,725	7,294	8,616	10,815	14,381
Old age pensions, including pensions to blind persons	([5]) —	33,715	35,928	58,090	66,764
Family allowances	.....	172,632	245,141	263,165	270,910
General health grants	.....	.....	.....	.....	7,528
National Revenue (including Income Tax)	20,114	22,630	28,551	37,312	49,323
National War Services	838	5	.....	.....	.....
Post Office	54,629	57,730	64,213	67,944	77,643
Prime Minister's Office	64	61	88	99	106
Privy Council	81	419	808	1,287	4,351
Public Archives	124	127	149	157	173
Public Printing and Stationery	232	238	293	536	753
Public Works	13,169	16,283	26,360	35,545	50,644
Reconstruction and Supply	969	2,103	1,932	12,342	3,403
Dominion Fuel Board Administration, coal subsidies and subventions	([6]) —	2,339	1,776	1,143	([7]) —
Royal Canadian Mounted Police	7,183	7,284	8,604	10,406	13,717
Secretary of State	864	954	1,157	1,345	1,559
Trade and Commerce	5,830	6,356	9,776	10,846	24,778
Dominion Fuel Board Administration coal subsidies and subventions	.....	.....	.....	.....	2,164
Mail Subsidies and Steamship Subventions	869	994	1,103	([8]) —	([8]) —
Transport—					
Administration and general	1,390	1,440	1,499	1,973	3,492
Air Service	3,939	4,196	5,653	10,390	15,932
Marine Service	4,897	4,895	5,963	6,831	8,176
Railways and Canals	3,306	3,391	3,702	4,073	5,124
Maritime Freight Rates Act	4,733	4,345	4,871	5,090	6,606
Mail Subsidies and Steamship Subventions, including Canadian Maritime Commission	.....	.....	.....	1,764	2,166
Veterans Affairs—					
Departmental Administration	196	1,142	1,680	1,677	2,225
Pensions (World War 1 and military)	39,372	39,996	40,771	41,227	.....
Pensions (World Wars 1 and 2 and N.W. Rebellion, 1885)	([9]) —	([9]) —	([9]) —	([9]) —	102,951
War services gratuities and re-establishment credits	20,228	([9]) —	([9]) —	([9]) —	([9]) —
Treatment and after-care of returned soldiers and allowances to dependents	19,845	28,551	44,303	46,286	69,937
Soldiers Settlement and Veterans Land Act	1,391	3,160	6,551	8,092	7,885
Total Ordinary Expenditure	767,376	1,061,902	1,236,235	1,380,002	1,573,450
CAPITAL EXPENDITURE					
Railways	630	2,313	2,654	3,809	3,239
Public Works	2,534	2,195	8,546	11,847	15,234
Total Capital Expenditure	3,164	4,508	11,200	15,656	18,473

([5]) See Department of Finance.
([6]) See Department of Munitions and Supply.
([7]) See Department of Trade and Commerce.
([8]) See Department of Transport.
([9]) See War, Demobilization and Reconversion Expenditure.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—*Continued*

(Thousands of Dollars)

—	1944–45	1945–46	1946–47	1947–48	1948–49
	$	$	$	$	$
WAR, DEMOBILIZATION AND RECONVERSION EXPENDITURE					
National Defence—Army, Navy and Air Services	.....	.....	.....	*189,360*	*238,915*
National Defence—Defence Research	.....	.....	4,090	6,024	16,033
National Defence—Army—					
Army Services	1,243,733	935,006	208,106	.....	.....
Internment Operations	1,580	1,002	135	.....	.....
Inspection Board of the U.K. and Canada	8,362	6,124	.....	.....	.....
Inspection Board of Canada	.....	.....	2,819	.....	.....
Sundry	8,080	7,446	8,064	.....	.....
	1,261,755	*949,578*	*219,124*	.....	.....
National Defence—Naval Services	417,099	241,759	64,873	.....	.....
National Defence—Air Services—					
Overseas War Establishment	759,070	.....	.....	.....	.....
Overseas Operations	.....	197,076	4,779	.....	.....
Home War Establishment	227,942	.....	.....	.....	.....
Western Hemisphere Operations	.....	108,032	37,697	.....	.....
Air Training	272,342	.....	.....	.....	.....
Training Organization	.....	74,770	11,962	.....	.....
Repatriation and Demobilization	.....	72,153	16,325	.....	.....
Restricted Servicing Units	.....	38,623			
General Servicing Units	.....	14,884	17,109	.....	.....
Surplus Equipment Units	.....	815			
Headquarters and Commands Administration	.....	17,880	11,315	.....	.....
Sundry	102	97	84	.....	.....
	1,259,456	*524,330*	*99,271*	.....	.....
Reconstruction and Supply (formerly Munitions and Supply)—					
Administration, reconversion and operation of Crown Companies and/or Crown Plants	.....	.....	10,784	1,558	(10) —
Administration	8,841	6,858	4,140	1,305	122
Housing development	.....	.....	35,323	38,558	1,013
Production and transportation subsidies for Canadian steel producers, etc.	(11) —	(11) —	12,663	7,950	(10) —
Research and development of jet engines and aircraft	.....	.....	.....	4,500	(10) —
Expansion of Industry	205,039	112,675	.....	.....	.....
Acquisition of U.K. Assets	1,964	.....	.....	.....	.....
Acquisition of U.S. Assets	.....	1,906	.....	.....	.....
Liquidation of Contracts	.....	.....	24,743	1,007	.....
Termination of Contracts	.....	151,846	55,200	6,400	.....
Other	2,932	5,522	4,287	1,056	242
	218,776	*278,807*	*147,140*	*62,334*	*1,377*
Agriculture—					
Disposal of agricultural products rendered surplus by the war	1,194	354	958	7	.....
Freight assistance on western feed grains	15,943	17,317	18,828	20,092	18,154
Fertilizer subventions and freight allowance	446	438	283	.....	.....
Subsidies and bulk purchasing of fertilizer	.....	.....	.....	597	.....
Subsidy on western wheat used exclusively as feed for live-stock	7,471	7,864	6,474	4,421	.....
Subsidy on milk and milk products	42,330	41,659	36,759	1,861	.....
Premium on hog carcasses suitable for export to U.K.	14,091	9,573	4,506	5,474	4,585
To provide for reserve stocks of feed grains	715	1,274	1,551	434	.....
Sundry	5,864	4,499	1,757	347	439
	88,054	*82,978*	*71,116*	*33,233*	*23,178*

(10) See Department of Trade and Commerce.

(11) Included in Expansion of Industry.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—*Continued*

(Thousands of Dollars)

—	1944–45	1945–46	1946–47	1947–48	1948–49
	$	$	$	$	$
WAR, DEMOBILIZATION AND RECONVERSION EXPENDITURE—*Con*					
External Affairs—					
Contribution to International Refugee Organization	.....	.....	.....	5,468	5,412
General post UNRRA relief	.....	.....	.....	16,927	325
Sundry	296	383	837	5	102
	296	*383*	*837*	*22,400*	*5,839*
Finance—					
Comptroller of the Treasury	9,216	9,369	6,072	1,702	(12)
Wartime Prices and Trade Board—					
Administration	12,720	14,753	12,738	5,794	3,321
Subsidies due to application of Order placing a ceiling over all prices	107,338	97,819	88,778	34,341	14,911
Advances for payment of drawback claims to millers and other manufacturers of wheat products	19,700	14,750	26,000	17,000	11,000
Advances to the Canadian Wheat Board to cover deficits in certain Board operations	13,058	.....	(13) —	(13) —	(13) —
House Conversion Program	4,053	1,764	(14) —	(14) —	(14) —
Old Age Pensions increased benefits	8,788	(15) —	(15) —	(15) —	(15) —
Halifax V-E Day disorders and explosion—					
Payment of claims	.....	4,610	2,127	.....	.....
Expenses of investigations	.....	248	161	.....	.....
Sundry	1,646	958	999	363	1,457
	176,519	*144,271*	*136,875*	*59,200*	*30,689*
Labour—					
Industrial training	1,617	701	15	.....	.....
Training aircraft mechanics	333	3	.....	.....	.....
National Selective Service program	11,098	11,268	11,230	(16) —	(16) —
Removal of enemy aliens from protected areas	2,137	2,203	3,161	.....	.....
Vocational training for discharged members of the Canadian Armed Forces	602	4,365	13,049	6,405	3,472
Vocational Schools — Payments to Provinces	.....	607	2,442	3,264	(17) —
Sundry	3,877	3,712	2,757	1,723	1,767
	19,664	*22,859*	*32,654*	*11,392*	*5,239*
Mines and Resources—					
Prince Rupert — Terrace — Cedarvale Highway	2,499	8	.....	.....	.....
Employment of Japanese	511	262	45	.....	.....
Aerial Photography	51	572	944	726	851
Sundry	2,753	2,633	1,509	1,086	138
	5,814	*3,457*	*2,498*	*1,812*	*989*
National War Services—					
War Charities—Auxiliary services	15,933	13,070	.....	.....	.....
Censorship	1,856	859	.....	.....	.....
Sundry	8,193	316	29	.....	.....
	25,982	*14,245*	*29*	.....	.....
National Health and Welfare—					
Old Age Pensions increased benefits	(18) —	9,103	9,517	996	(17) —
Sundry	1,340	2,135	157	107	31
	1,340	*11,238*	*9,674*	*1,103*	*31*
Privy Council—					
Canadian Information Service (formerly Wartime Information Board)	1,700	1,229	.....	.....	.....
Sundry	58	43	45	8	.....
	1,758	*1,272*	*45*	*8*	.....

(12) Included in ordinary expenditure.
(13) Included in special expenditure.
(14) See Department of Reconstruction and Supply.
(15) See Department of National Health and Welfare.
(16) Included in ordinary expenditure (Unemployment Insurance administration).
(17) Included in ordinary expenditure.
(18) See Department of Finance.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—*Continued*

(Thousands of Dollars)

—	1944–45	1945–46	1946–47	1947–48	1948–49
	$	$	$	$	$
WAR, DEMOBILIZATION AND RECONVERSION EXPENDITURE—Con.					
Public Works	*6,500*	*6,205*	*3,651*	*1,242*	.....
Royal Canadian Mounted Police	*3,709*	*4,775*	*1,896*	*1,627*	.....
Trade and Commerce—					
Gift of wheat to Greece	6,749	.....	.....	.....	.....
Administration	.....	.....	.....	.....	1,000
Administration, reconversion and operation of Crown Companies and/or Crown Plants	.....	.....	.....	.....	2,585
Production and transportation subsidies for Canadian steel producers, etc.	.....	.....	.....	.....	7,062
Research and development of jet engines and aircraft	.....	.....	.....	.....	2,000
Sundry	670	1,772	682	126	1,157
	7,419	*1,772*	*682*	*126*	*13,804*
Transport	16,433	15,013	9,723	6,387	1,637
Acquisition of airfields and works from United States Government	18,661	.....	.....	.....	.....
Veterans Affairs—					
Treatment—Defence Forces	11,449	26,298	50,982	27,130	(17) —
Pensions—Defence Forces	11,939	22,200	33,763	40,517	(17) —
Additions, alterations and improvements to departmental hospitals, including land purchases	5,738	7,371	8,334	6,805	5,095
Post-discharge rehabilitation benefits	2,468	32,131	96,762	78,323	44,826
War service gratuities and re-establishment credits	(17) —	239,585	318,325	84,175	36,148
Sundry	1,165	774	273	418	1,181
	32,759	*328,359*	*508,439*	*237,368*	*87,250*
Other Departments	*2,960*	*2,453*	*2,181*	*805*	*593*
Write-off of Air Training Plan Loans and Advances as per United Kingdom Financial Agreement Act, 1946	.....	*425,000*	.....	.....	.....
Mutual Aid (excluding administration)	*792,200*	*766,862*	.....	.....	.....
Military Relief	*20,199*	*34,463*	.....	.....	.....
Canada's Contribution to UNRRA	*11,093*	*142,852*	.....	.....	.....
Total War, Demobilization and Reconversion Expenditures	4,418,446	4,002,949	1,314,798	634,421	425,574
SPECIAL EXPENDITURE					
Agricultural and Other Projects	3,869	4,423	4,432	5,253	10,489
Prairie Farm Assistance Act, 1939—					
Administration	188	327	333	450	402
Advances to Prairie Farm Emergency Fund	1,295	12,052	6,597	10,744	8,640
Wheat acreage reduction plan—					
Administration	261	159	.....	.....	.....
Payments of awards to farmers	1,707	397	2	.....	.....
Deficits—Canadian Wheat Board	(19) —	.....	20,562	31,450	4,454
Provision of reserve to meet deficits resulting from the operations of the Canadian Wheat Board not previously provided for	186	.....	.....	.....	.....
Subsidies on oats and barley used as feed for live stock—Dept. of Agriculture	.....	.....	.....	13,963	.....
Reimbursement to Canadian Wheat Board for expenses of regulating deliveries of grain—Department of Trade and Commerce	.....	.....	.....	733	128

(17) Included in ordinary expenditure.
(19) Deficits charged to the War Appropriation in 1944-45.

STATEMENT OF EXPENDITURES BY MAJOR CATEGORIES AND BY DEPARTMENTS FOR THE LAST FIVE FISCAL YEARS—*Concluded*

(Thousands of Dollars)

—	1944-45	1945-46	1946-47	1947-48	1948-49
	$	$	$	$	$
SPECIAL EXPENDITURE—*Con.*					
Reimbursement to Canadian Commercial Corporation for expenses in purchasing materials, etc., on behalf of Dept. of National Defence—Dept. of Trade and Commerce	.....	.....	.....	548	776
Fraser Valley, B.C., Flood Area—					
Repairing and reconstructing dykes	.....	.....	.....	.....	4,500
Grant for emergency relief and rehabilitation	.....	.....	.....	.....	5,000
Repairs to Federal Government structures and telegraph and telephone lines	.....	.....	.....	.....	424
Total Special Expenditure	7,506	17,358	31,926	63,141	34,813
GOVERNMENT OWNED ENTERPRISES					
Losses charged to Consolidated Deficit Account—					
Prince Edward Island Car Ferry and Terminals	773	688	888	932	1,220
Canadian National Railways	.....	.....	8,962	15,885	33,533
Trans-Canada Airlines	.....	.....	.....	1,370	2,933
National Harbours Board	59	86	114	137	238
Total Charged to Consolidated Deficit Account	832	774	9,964	18,324	37,924
Loans and advances non-active—					
National Harbours Board	526	560	718	371	1,739
Total government owned enterprises	1,358	1,334	10,682	18,695	39,663
OTHER CHARGES					
Write-down of assets chargeable to Consolidated Deficit Account—					
Reduction of soldier and general land settlement loans	325	36	232	3	.....
Reduction of Veterans' Land Act Loans	.....	.....	129	2,097	1,000
Yearly established losses in seed grain and relief accounts—					
Department of Mines and Resources.	36	45	54	63	45
Cancellation of Canadian Farm Loan Board Capital Stock	1	1	.....	.....	.....
Canadian National Railways Securities Trust Stock—reduction due to retirement of equipment	.....	.....	1,308	1,885	.....
Provision for reserve for possible losses on ultimate realization of Active Assets	25,000	25,000	25,000	75,000	75,000
Provision for reserve for conditional benefits under Veterans' Land Act	.....	464	2,663	4,505	5,631
Canadian National Railway Securities Trust Stock—					
Net Changes in Dominion's equity in Canadian National Railways	22,400	22,631	.....	.....	.....
Transfer from Capital Accounts—to Consolidated Deficit	.....	.....	.....	158	2,243
Total other Charge	47,762	48,177	29,386	83,711	83,919
Grand Total Expenditures	5,245,612	5,136,228	2,634,227	2,195,626	2,175,892

HOUSE OF COMMONS

Friday, October 21, 1949

The house met at three o'clock.

BRITISH NORTH AMERICA ACT

AMENDMENTS TO THE CONSTITUTION—REFERENCE TO REMARKS IN DEBATE ON OCTOBER 20

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, as a matter of privilege I should like to make a short explanation to the house with respect to an answer given to a question asked by the hon. member for Vancouver-Quadra (Mr. Green). I am reported as having answered his question in the following way as appears at page 959 of *Hansard*:

> That question is, I suppose, merely for clarification, Mr. Speaker; but a hypothesis like that would not arise except in the case of war, real or apprehended. I can give the hon. member the assurance that for the duration of this parliament there is no thought at the present time that there need be any fear about war, real or apprehended.

When I received the transcript from the reporter, instead of the word "fear" there was the word "care"—"any care about war, real or apprehended". I do not reproach the reporter. It may be that in answering the questions which were being asked I was not speaking very distinctly. I corrected it to the word "fear", which I believe is the word I used. The advance copies had gone to the press galleries, however, and in quoting me in their newspapers the reporters quite properly used the text as it appeared in the advance copies. Apparently the newspaper reporters were not misled by it, because the headline given to the article in one newspaper was, "P.M. says no war for five years"; another newspaper said, "Five years' respite from fear of war foreseen by P.M". Nevertheless I thought it desirable that I state I did make a correction in the advance sheet for two reasons: one, to absolve the members of the press gallery from any implied reproach that might arise in the minds of people who compared their report with *Hansard*, and, second, to correct any impression that I might have said that preparation for war was not one of our cares at the present time. It is precisely because of the care being taken by the nations of the North Atlantic security pact that we are able to feel there is no fear or apprehension at this time. Principally I wanted it to be clear that the newspaper reporters had justification for the use of the word "care" as it appeared in the quotation mentioned.

BUSINESS OF THE HOUSE

SUSPENSION OF STANDING ORDER 28 FOR THIS DAY

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, it is suggested that because of standing order 28 it might be irregular for you to remain in the chair while debate was continued on the motion made by the Minister of Finance last night that you do leave the chair for the house to go into committee of ways and means. To avoid any suggestion of irregularity, if I have the consent of the house I would move:

> That the provisions of standing order 28 respecting the committee of ways and means be suspended for this day.

As I said last night, there is no intention of curtailing the debate on this motion to go into committee of ways and means, but there is some suggestion that under the terms of standing order 28 Mr. Speaker, without this motion, should leave the chair without question put and without debate.

Motion agreed to.

PRIVATE BILL

FIRST READING—SENATE BILL

Bill No. 66, to incorporate Alberta Natural Gas Company.—Mr. Maybank.

WAR SERVICE MEDALS

QUESTION AS TO ENGRAVING OF NAME AND REGIMENTAL NUMBER OF RECIPIENT

On the orders of the day:

Mr. C. W. Hodgson (Victoria, Ont.): I should like to direct to the Minister of Veterans Affairs a question supplementary to the one I asked him yesterday. Will his department recall the war medals now being distributed, in order that they may be properly engraved?

Hon. Milton F. Gregg (Minister of Veterans Affairs): The answer is no.

CEMENT

SHORTAGE OF SUPPLY—PRIORITIES FOR HOUSE BUILDING

On the orders of the day:

Mr. G. K. Fraser (Peterborough West): I should like to direct a question to the Minister of Trade and Commerce. Does he know

that there is in Canada a great scarcity of cement which is impeding the building of houses? In Peterborough alone the building of houses, especially the construction of the foundation—even Central Mortgage and Housing Corporation houses—has been held up owing to the fact that we have had just a trickle of cement coming in there this year. Can the minister do anything to help the situation? Previously about a million barrels were obtained from England. Perhaps something like that can be done now.

Right Hon. C. D. Howe (Minister of Trade and Commerce): I am aware that the production of cement in Canada is not adequate for the requirements this year. The hydroelectric plants that are being built are this year taking something over two million barrels of cement. This type of construction requires abnormal quantities of cement, and the result has been a shortage. I believe the cement companies imported about a million barrels in an attempt to correct the situation. I am informed that the situation is correcting itself rapidly, and that next year Canadian production will take care of Canadian requirements.

Mr. Fraser: May I ask this further question, Mr. Speaker? So many concrete foundations have to go in this year that construction of Central Mortgage and Housing Corporation houses is being held up. I wondered if there should not be some priority for those houses and others.

Mr. Howe: It is the purpose of the cement companies to give priority to houses and to work that is urgent. I shall be glad to draw the attention of the companies to the situation referred to by my hon. friend.

TELEGRAPH SERVICES

OVERSEAS TELECOMMUNICATION ACT—HALIFAX CABLE SHIP

On the orders of the day:

Mr. Gordon B. Isnor (Halifax): I desire to direct an inquiry to the Minister of Transport. In view of the proposal of the government to establish the Canadian Overseas Telecommunication Corporation, is it also the intention of the government to enter into an agreement covering repairs and maintenance of cables, which will enable the cable ship to continue to be based at Halifax?

Hon. Lionel Chevrier (Minister of Transport): The bill now before the house with respect to the Canadian Overseas Telecommunication Corporation provides for the expropriation of telecommunication assets only. It is not contemplated in the bill that an agreement will be entered into concerning the maintenance and repair of these cables.

COMBINES

BAKERY FIRMS IN WESTERN PROVINCES—QUESTION AS TO PROSECUTIONS

On the orders of the day:

Mr. J. G. Diefenbaker (Lake Centre): I wish to direct a question to the Minister of Justice. Have prosecutions now been launched under the Combines Investigation Act in respect of the alleged infractions of that act by certain bread companies in western Canada? If so, when are the preliminary hearings to take place?

Hon. Stuart S. Garson (Minister of Justice): Not having received notice of his question from my hon. friend, I think I should delay the answer until Monday. I shall have to refer to counsel who is in charge of the case in order to ascertain what his latest action has been.

CANADA SAVINGS BONDS

INQUIRY WITH RESPECT TO DISTRIBUTION OF POSTCARDS

On the orders of the day:

Mr. G. K. Fraser (Peterborough West): I have a question I should like to direct to the Minister of Finance. Does he know that throughout Ontario, in the English-speaking sections, Canada savings bonds advertising has been sent out in the French language? A number of postcards in French were received in Peterborough, and on them was a picture of the Prime Minister's home town. I thought that I should bring this matter to the minister's attention, because it is a waste of money to send them in French to this area.

Hon. Douglas Abbott (Minister of Finance): I thank my hon. friend for bringing the matter to my attention. There may be some waste of money in sending these cards to Peterborough, but I should not think so.

Mr. Cruickshank: That will hold you.

Mr. Fraser: I wish to ask the minister another question, Mr. Speaker. Does he not know that Peterborough has always gone over the top in victory bond campaigns and in every other way?

Mr. Smith (Calgary West): I have a supplementary question to ask the Minister of Finance. Does he know—and if he does not, he should—that the best advertising he has sent out through these cards is taken from the Calgary stampede, and they are being distributed in Ottawa?

Mr. Abbott: I thank my hon. friends for the compliment.

INSECT PESTS

TERMITES IN TORONTO AREA—REQUEST FOR FEDERAL ASSISTANCE

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): In the absence of the Minister of Agriculture and his parliamentary assistant, may I ask the member of the government who is Acting Minister of Agriculture today whether that department will take action to assist in meeting the situation caused by the plague of termites that is attacking certain areas of Toronto?

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear.

Mr. Fleming: Perhaps I should make it perfectly clear that I am not necessarily referring to the members of the Liberal party. Will the Department of Agriculture give some assistance with a view to preventing the spread of infestation of these insects?

Right Hon. L. S. St. Laurent (Prime Minister): The hon. member may be assured that the proper officials of the Department of Agriculture will take cognizance of his question.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Thursday, October 20, consideration of the motion of Hon. Douglas Abbott (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Hon. W. Earl Rowe (Dufferin-Simcoe): Mr. Speaker, before adjourning the debate last night I had listened to the speech of the Minister of Finance (Mr. Abbott), and I promised you, sir, that I would look it over in the meantime. I have done that, but I did not find many surprises in it. I was more shocked by the lack of additions to the speech than to read what I had read before. No budget has been practised so much and presented so often before being passed by the house. However, I feel that one cannot be unmindful of the great changes that took place during the past summer. The government's political success in the recent election is evidenced by its top-heavy majority in this house; in fact this is the first time that I have been almost completely surrounded by Liberals. Judging by their promising appearance I suppose one should call them statesmen. They are in front of you, behind you and on both sides of you. It is only natural that such a victory should bring to the Prime Minister (Mr. St. Laurent) and his colleagues a sense of pride and satisfaction, indeed a sense of supreme confidence. With all due respect, one can say that at times we almost see a growing complacency coming out of that great victory. I sometimes wonder whether the victory was too great. I observe that the Minister of Finance seems happier than usual, and he is always happy. He seems to think that everything is all right. The Prime Minister himself is not even afraid of war for the next five years. Everything is rosy; everything is fine. I am reminded of a description that was once given of optimism—in saying this I mean no disrespect to hon. gentlemen whom I see in front of me and the sincerity of their purpose in serving this country. The man who gave the description said that the best explanation he ever heard of real optimism was a fellow who did not care what happened so long as it did not happen to him.

I say in all sincerity that I hope this all-powerful government, with an unprecedented number of members so ready to support it, will not develop an optimism so blind as not to observe the swiftly changing conditions on our economic front. If I should remind the Minister of Finance and his government of the possible far-reaching effects of conditions that have arisen lately to becloud our economic future with great uncertainties, I hope that such will not be recklessly regarded by those who sit to your right merely as what an opposition critic might be expected to do—to view with alarm for the sake only of alarm.

May I, however, assure the minister that no political motive actuates my remarks of today. The government have just won a general election. Indeed they have won it in no uncertain terms. Nothing I can say now can alter that situation. In fact it is apparent that anything I said before the election had no effect on it.

I am not unmindful of my responsibilities. I know that, despite what has been said or has not been said, or how much joy or applause there may be over the victory that some organizations have had, if our prosperity withers and dies because its roots have been torn out of the export markets on which it was based, then it will be the Canadian people as a whole who will suffer, without any distinction between Grit and Tory. None of us wants that to happen. Certainly I do not. And so today I speak not from any partisan motive; I speak with a keen sense

of my responsibilities to the people of Canada. May I, however, ask the Minister of Finance, who needs no lecture from me on the great responsibility he carries, to concede to me the same sincerity in the lesser responsibility that is mine on this occasion. It is my hope to bring to the attention of this house the importance of the government's shedding at this time its political battledress and meeting in a business way the economic challenges of the hour.

The presentation of the annual budget has been an event of growing importance in the life and progress of our people. But, it is unique in the experience of this house to have, as I have said, a budget presented so often and practised so much before being passed by this House of Commons. In fact it has been back and forth in this house so often that it is almost worn out. It is also passing strange to me that while the economic face of literally the whole world has been changing swiftly during recent months, the government's fiscal proposals of today are only a rehash of the proposals that were unwrapped last March to dress the stage for the June election. It gave temporary cash relief. I am sorry that it did not go a little further in some respects and increase the exemptions of the poor man, as the party to which I have the honour to belong suggested. It gave cash relief to many Canadian taxpayers; therefore it had a distinct appeal to millions of taxpayers. It was, Mr. Speaker, a great election handbook, and served as a successful political expedient for a hasty election campaign. It lacked inspiration; it lacked the semblance of ability to observe obvious signposts that everyone else but the government saw last spring. It is obsolete now in the sense of meeting world conditions that have changed so much since. The minister and his advisers refused to see that the devaluation of the Canadian dollar would so soon be inevitable.

I do not propose to trace, in their elaborate and confusing detail, recent economic world events. Indeed, the rapid development of international bilateralism in trade, and diminishing overseas markets for our agricultural, forestry and fishery products, were obvious at that time—I speak of last March when this budget was first presented—to all hon. members of the house except the government itself.

The serious aspect of this misleading official attitude lies not alone in its strange lack of relationship to the facts, but especially in its striking similarity to the "wait and see" policy of the Liberal party just before and during the 1930 election. I can well recall that, despite the fact that a serious recession had started in the latter part of 1929, our international trade channels were drying up, every elevator in Canada was filled with unsold wheat and every lumber yard was bursting with unsold lumber—despite these facts, at that time the Liberal party to your right, Mr. Speaker, were taking exactly the same attitude as they are taking today, even though it was followed by the serious economic depression of the early thirties.

During the recent election the Minister of Trade and Commerce (Mr. Howe) for whom I have a very high regard—I hope this is mutual, although I am not so sure—made certain statements. I do say of him that he is an optimist, and he is reasonably practical in everything else except his politics. But he should understand what is happening. I can remember being in certain parts of Canada while the minister was there—sometimes even in the same city. On every occasion he said that the outlook for Canada's trade was never brighter. I think he must have meant political trade, because his department of statistics only last week stated emphatically that for the first eight months of this year Canada's favourable balance of trade was less than it had been in any year since 1938. This was the condition, despite the fact that we had a greater volume of trade—and I will not overlook that, because the Minister of Trade and Commerce mentions it every time he is on his feet. He reminds me of the fellow who is doing more business—buying more and selling less. The statistics show that in the first eight months of 1949 we had an unfavourable trade balance—more unfavourable than we have had at any time since 1938. Despite the rosy pictures which were painted to the public, he must be honest.

Now, if I may refer to the Minister of Agriculture (Mr. Gardiner)—I regret he is not in his seat today; and in passing let me say that I am glad he is restored to good political health—

Some hon. Members: Oh, oh.

Mr. Rowe: I did not mean "political health"; I meant that I was glad he had been restored to good physical health. I know his political health is always pretty good. I think he will need good physical health in the future to endure the political associates he has had in the past.

Our farmers, from one end of Canada to the other, were told by the Minister of Agriculture that we had more markets for our agricultural products than we had agricultural products to sell. He was telling them this story to the point where they were eating twice as much as they did before—putting twice as much butter on their bread, and cutting their bacon twice as thick. The other evening in the house that same minister said

that during the first six months of this year we sold to the United Kingdom, the greatest market we have had in the last fifty years, only one-sixth of the amount we sold the year before. And, despite all this brightness for the future, he added that now the United Kingdom did not care whether we sent them anything at all from our supply of foodstuffs. They would just as soon not have our bacon.

These trends which developed early this year were recklessly, or designedly, or both, disregarded by the government.

We all know that in recent weeks we have had a shocking currency devaluation on a broad international front. Some of us may be a little hazy as to the real reason for it, but none of us is doubtful as to what happened. We know how suddenly the United Kingdom devalued her currency—almost overnight, despite the fact that they had said they would not do it. They devalued their currency to the extent of thirty per cent. Then they followed with government-controlled currency—something like the hunter who chased the rabbit so far that it had to climb a tree, even though no other rabbit had ever done it.

We found the same thing here. Our great experts in the Department of Finance, the Minister of Finance himself as well, just laughed and said: "Me, too. Get on. We will go for the ride, whether it is a broncho ride or not. We shall have to take it". When the United Kingdom devalued its currency thirty per cent, all empire countries followed suit. The Argentine has devalued to the extent of forty per cent—with, it is true, extensive and highly complicated reservations. Canada has devalued to the extent of ten per cent, in other words twenty per cent less than the United Kingdom. It might have been made twenty, twenty-five or thirty per cent. They just got together and said: We have got to devalue; it might just as well be ten per cent as twenty per cent. Call it ten per cent, and let it go at that.

Canada devalued twenty per cent less than the United Kingdom, other commonwealth countries, and European countries associated in the sterling bloc. My hon. friends laugh, but they were not laughing over there in the east block—in fact they were all too much embarrassed to have good judgment.

Mr. Cleaver: We are all laughing at the Tory policy of devaluation.

Mr. Rowe: The inevitable results of these startling facts are bound to have a far-reaching effect on our economy. In the first place it will be obvious to any schoolboy economist that Danish bacon; Danish cheese; Scandinavian newsprint, pulp and paper; Australian and New Zealand dairy products; Argentine beef; electrical supplies from Sweden, and hundreds of other commodities from the sterling area nations will be available to the United Kingdom market at a price at least twenty per cent below their cost from Canada, the cost at which Canada could put her products there. That is obvious, surely, to everyone.

Despite our country's potential resources in her present period of post-war prosperity, we must not recklessly disregard these economic danger signs. We have had prosperity not because of but in spite of the present government. This is a great country. There is nothing mysterious about that. There is not one hon. member in front of me today who can give me a specific reason for our prosperity for which the government has been responsible. The government has been riding on the crest of world affairs, with the result that we have had prosperity. It has been kidding the people of Canada that it has given them that prosperity—just like the fellow who had his bank credit extended because he was out with the bank manager the night before, and was able to borrow more money than he had ever borrowed previously.

One-third of our whole national economy is dependent upon export trade. Every hon. member in the house knows that the United Kingdom is by far the greatest and the most important market we have for our agricultural surpluses. No other market exists on a scale sufficiently large to replace it. How long shall we continue to hold that market if our goods are priced twenty per cent above the prices of competing goods from sterling area sources?

The effect of this bureaucratic trading dollar creates in fact, if not in intention, for the first time in the history of empire trading relationships, an empire preference in the United Kingdom markets from which Canada alone of all empire countries is now excluded. That is automatically the effect of Britain and the commonwealth countries other than Canada devaluing to the extent of thirty per cent, while Canada devalues her dollar by only ten per cent. This gives them an advantage, as everyone can see, of twenty per cent right across the board. Non-British countries of the sterling area devaluing thirty per cent have for the first time a preference over Canada of twenty per cent in the British market—and Canada is the senior partner in the British commonwealth.

That is the position we are in today. It is a strange economic situation indeed, and I submit it will have many repercussions on business, unless the government makes some move other than that indicated in the dusty document presented last night.

The general prosperity we have recently been enjoying must not blind our vision, if we are to safeguard our economic future from these dangers. This is a twenty per cent disadvantage to the lumbermen of British Columbia, a twenty per cent disadvantage to the fishermen of the east, to the grain and meat producers of central Canada, to say nothing of the secondary industries—textile and farm implement industries. Can anyone say that that will not be a matter of serious concern to every person connected with the business life of this country? Since no one laughs at that, sir, I think at least hon. members to your right understand it.

Despite our present prosperity there are signs all around that we should not ignore. I say to the minister with all respect that, despite the changes in the budget, he has brought down off the shelf the very same program. There are a few exceptions. The sales tax is being taken off fuel oil—something which should have been done last year or the year before. In fact the government should have taken off all the sales tax. This budget seems to be just the same as it was last spring, something that blindly ignores our economic problems and consequently offers no solution so far as the long-range viewpoint is concerned. It is good, and I compliment the minister upon the splendid way he presented it. I also compliment his departmental officials upon the form of the document they have prepared. But after all, it is just something that an auditor might present. There is no more inspiration in it now than there was last spring. At that time it was full of political craftsmanship; today it is no less barren of economic statesmanship to meet changing conditions.

During the past decade, and directly as a result of the war, our agricultural markets have been largely dependent upon contractual bulk trading purchases. Much of our production went to supply the British market, often at prices far below world prices or far below what the British might have been able to pay. This policy was pictured to us as being one with great long-term advantages, but in fact it was the most reckless experiment in international trade in Canada's history. This policy of government-directed selling was admittedly at great cost to the Canadian farmer, but it was expected to give long-term stability so far as the United Kingdom market was concerned. Of course it also served to keep down the prices of the commodities the farmer had to sell.

Unfortunately a shortage of dollars and a return by Great Britain to her traditional markets in Europe, coupled with the adoption by that country of a policy of bilateral trade agreements with soft currency countries, resulted in our loss of those markets to the point where the Minister of Agriculture is unable to assure the primary producers of this country of any contracts beyond the contract year 1950. The stark truth is that those markets which we hoped to hold after the war and which are essential to a healthy agricultural economy in this country, and have been for the past fifty years, are practically lost. Those markets are necessary to the economic health of this great basic industry. This costly bulk-trading experiment has proved a failure because it has choked off future market stability. Even during a time of rationed foodstuffs in Great Britain we have lost a market which we had held for fifty years.

The full effect of this has not been felt, because there are still a few contracts. We have the benefit of support from the European recovery plan and the Marshall fund in the purchase of our wheat, but these markets have a definite limitation because the Marshall plan is scheduled to finish in 1952. The discontinuance of purchases in Canada through this medium will have a serious effect upon this country unless an alternative means of retaining these or other markets is rapidly found.

The alternative market which we have been able to secure for our surplus production in the United States is not at all assured for the future. Surpluses are now beginning to appear in that country, which means that our ability to sell there will become less favourable as time goes on. Our similarity of production, coupled with the capacity of the United States to produce, makes that market most hazardous at best.

The history of trade shows that our most secure agricultural markets for the last fifty years have been found in Europe, and especially in the United Kingdom. These traditional markets for Canadian products have been diverted to eastern Europe and other commonwealth countries under long-term bilateral agreements. The problem of trade in this sphere is made more difficult by the fact that these long-term bilateral trade agreements, such as Britain's five-year agreement with Poland, project far past the time in the future when it was hoped that trade channels would have been cleared of the obstructions resulting from dislocations caused by the war. As a nation with its agricultural economy dependent upon the export of surplus production to reasonably stable markets, we can no longer ignore the fact that the trend today is in a direction adverse to the future welfare of this country's basic industry.

Last week the representatives of ten western European countries met at Rome to

prepare a report to be submitted to the world conference of the food and agricultural organization scheduled to meet in Washington next month. The substance of the report which will be presented at that time is that the western European countries purchase more of the food they must import from eastern Europe and less from this continent. In other words the system of bilateral trade, which now expresses itself through some three hundred bilateral trade agreements among European nations, and which is slowly but surely closing its door to exports from this country, is to continue and constitute the order of trade for some indefinite period in the future. This should cause serious thought on the part of all businessmen and farmers in Canada.

Countries within or under the shade of the iron curtain are replacing Canada in the British market, in many cases under bilateral deals which extend up until 1955. Bacon which was formerly supplied by Canada is now being obtained from Denmark, Poland, Hungary, and other countries. Our present cheese contract for 50 million pounds is for an amount lower than our sales in this market at any time during the past fifty years. Our contract for eggs calls for the purchase of only three-fifths of our exports to the British market last year, which were below what they had been the year before—and this at a time when the farmers of other European countries are increasing their sales in the British market.

This market, which took as high as a million cases a year of evaporated milk and 8 million pounds annually of milk powder, has been lost to Poland, Australia, New Zealand, Denmark, and other countries. It is not surprising that the hon. member for Leeds (Mr. Fulford)—who by the way, has never been accused of not giving the Minister of Finance and his party full support—stated in the house the other night that this phase of agriculture has become the orphan of the dairy industry. That is even worse than anything that has been said on this side of the house. The hon. member stated that there were 2,500 farmers in his county who depended upon this branch of agriculture for their living. He said that 8 million pounds of evaporated milk have been stored in the county because there is absolutely no market at home or abroad. I wonder at the hon. member bringing this matter to the floor of the house and not taking it up with the Minister of Agriculture or the Minister of Trade and Commerce, who say they have markets for more than we can produce. I think it would have been better to take it up there. If those ministers had such markets during the election, I would suggest that in fairness to the 2,500 farmers in Leeds, some of whom may have supported the present hon. member for that riding, the hon. member should ask the permission of the Minister of Trade and Commerce and the Minister of Agriculture to use their names to set up a Howe-Gardiner sales corporation in Brockville to sell the 8 million pounds of milk now in storage. Those ministers are the past-master salesmen who during the election said that they could sell more than we could produce. It is not long since the election. I wonder if something along that line might not provide a lead for the business mind of the hon. member for Leeds.

Mr. Knowles: Speak a little louder; the minister does not hear you.

Mr. Rowe: Mr. Speaker, I am not going to disturb him. I think it is just as well that I do not. He is exercising a parliamentary privilege. I will not enlarge on that, but I have listened to him often when I would rather have been doing something else.

A similar situation exists with respect to the markets we previously held for beans, poultry, canned salmon, flax fibre, fruits and fruit juices, vegetables, oats, barley, and numerous other agricultural products. Probably when the Minister of Trade and Commerce gets into action he may find markets for those products, but nobody else seems to know where they are going to be sold under present conditions.

In the field of non-metalliferous mining and quarry products, our exports to the United Kingdom markets have dropped to one-third of their 1938 volume. In the field of tobacco exports, Canada built up a considerable market in the United Kingdom, as everyone knows. Last year our exports of tobacco to that market were reduced to approximately 12½ million pounds from the 22¼ million pounds we sold them the year before. At the same time Turkey, which had exported less than half a million pounds in 1947, increased that to over 10 million pounds in 1948, taking the market that we formerly had for our tobacco growers.

A similar story prevails with regard to leather and leather products. Our exports to the British market fell from over 5,000 hundredweight in 1947 to less than 1,000 hundredweight in 1948.

As I have already stated, the full impact of this loss of markets has been temporarily deferred by our finding markets in the United States of America. There is now every indication of a surplus of many articles in the United States, and the likelihood of holding those markets is very doubtful, as it always has been. To find new markets for surplus Canadian production, or have the domestic

market absorb even a considerable portion without disrupting trade, presents a considerable problem indeed.

Efforts are made from time to time by members of the government to detract from the disastrous implications in our present trend of foreign trade by placing the entire responsibility on the shortage of dollars experienced by British purchasers. But that answer does not offer any solution. Since the close of the war, agricultural machinery has been a large export factor, but now the greater devaluation of sterling compared with that of the dollar is making the export of Canadian farm machinery very doubtful. As a result, as the minister knows, unemployment is beginning to mushroom in these important machinery factories.

The government's policy of holding the Canadian dollar at an artificial valuation is now anchoring the strategically important ocean shipping industry. Even before the United Kingdom and Scandinavian countries devalued their currencies, Canadian ocean-going bottoms were operating on a slender margin, as the minister knows, compared with shipping under other flags. Owing to higher wages, higher shipbuilding costs, higher standards of crew treatment, and higher operating efficiency, we believe, Canada faces a most difficult situation. To this difficult picture competing rates are reduced by thirty per cent, whereas Canadian rates can drop only by 10 per cent to maintain the same equilibrium. Thus, today, in every seaport of the nation, ships of Canadian registry are becoming known as "the mothball fleet". They are dropping their anchors and paying off their crews. They are unable to compete for cargoes against vessels of Scandinavian, British and other registry. The government certainly will not deny that several of its leading ministers have from time to time, as other hon. members have, emphasized the importance of our great merchant marine in the carrying of ocean cargo. Indeed, during the last war the part that the merchant marine played was the pride of many Canadians; in fact, many have said that victory would not have been possible had it not been for the great services it rendered. Today, because of the currency policy of the country, we find shipping services being crippled, which emphasizes the imperative necessity of getting down to solid common sense so far as currency values are concerned.

What has been the effect of this violent currency change upon our industries which cater to the domestic market? Clearly one effect of the British devaluation of thirty per cent is the equivalent of a cut in the tariff against the British goods. Can our textiles, our rubber and leather goods industries, our footwear industry, and a whole host of others, compete with British tariffs thus cut down to almost nothing overnight? In addition they pay lower wages than we do.

For the past few moments I have been tracing—and I know that some will think haphazardly—the effects of devaluation on the major aspects of our national economy and the business life of the country. No one realizes more than I do that I have fallen far short of exhausting this subject, which today is bothering everyone who thinks seriously about our national economy. I have dealt with only a few concrete examples, because time prevents me from dealing with many others.

May I now discuss briefly what I consider to be the vital question underlying the whole situation, namely, what is the road that has led us into our present difficulties? Why have we had to resort to devaluation so suddenly and to this reckless tampering with our currency? It will be clear to all of us that we arrived at our recent crossroad of devaluation wholly and solely because some years ago, accepting the advice of experts, the government adopted what is known as foreign exchange control. If we had not retained foreign exchange controls after the war there would have been no problem of devaluation harshly and ruthlessly confronting Canadian industry almost overnight. Our dollar would have been fluctuating in accordance with the balance of our import and export trade, and would have been regulating that balance automatically from day to day. Its value would not be an arbitrary one fixed by some government decree. We have said that repeatedly, and now that the election is over, surely the government believe it. Their actions would indicate they do.

Mr. Abbott: Then the actions are misleading because the government believe very strongly in foreign exchange control.

Mr. Rowe: Yours mostly have been. Its value would not be so arbitrarily fixed. I wonder if members of the house have paused long enough to realize just what it is that we do when we withdraw our dollar from the free currency market and place it under foreign exchange controls, or government decree. In effect we simply delegate to a departmental official, who neither buys, sells nor manufactures, the task of placing a rigid arbitrary value on our currency, independently of what it will buy or sell from day to day in the market places of the world. Actually that is all that we do. But it should be obvious to us that no government official or group of men should be asked—even with the Minister of Finance being called in—to be expert enough to price the

dollar exactly, or even approximately at its real value, over any long period of time. If by some freak one of them had such genius—and I refer to departmental officials for whom I have all respect—he would do much better elsewhere; if, by some even more mysterious freak, there might be one of those master minds among those you see to your left and right, Mr. Speaker, one who could fix the value of the dollar exactly where it should be, the Prime Minister could not keep him in his government. He would be too successful somewhere else. Anyone who had that type of supreme genius would be able to make a far greater fortune for himself by pricing the stock market than being a mere dollar pricer for the government. But no such expert exists either in the departments or in those surrounding the minister. The Minister of Labour (Mr. Mitchell) looks very bright, but I do not think even he would undertake that sort of thing. Mr. Speaker, I sometimes wonder why, in view of that fact, we continue to entrust the valuation of our currency to government and political decree. Such action is bound to bring us in a period of time to the necessity of rude and disturbing adjustment, the shock of which may indeed mean fortunes for a few and insolvency for those unprepared for the violent storm that follows.

That is the ultimate fate of all currency controls. None of them has ever led to expansion of trade. That is their record. To expect success for the first time from such a policy in Canada is dangerous and reckless optimism. I realize, of course, that such a view is heresy in the eyes of the so-called experts. Ever since these experts first succeeded in binding us in the chains of currency controls, they have sought to wrap the entire subject of foreign exchange in mystery and to establish it as far too technical a subject for comprehension by the ordinary lay mind. To a large extent their efforts along this line have been only too successful in increasing their popularity amongst those who do not understand the problem.

All my life, regardless of any other interests, I have been a practical farmer. I have been schooled in the belief that the Canadian farmer is equipped with the intelligence to understand any problem upon which his own economic welfare may ultimately depend. Consequently, I refuse to accept the subject of foreign exchange policy as a mystery too intricate for lay Canadians to concern themselves with. I simply translate it into the homely terms of my farming background. I realize that when the government guesses at the price our dollar should bring in the markets of the world, it is only a guess. To me it is like the farmer who takes his eggs to market and insists on pricing them at ninety cents per dozen, regardless of the fact that all the other farmers in the market stalls around him are selling eggs at seventy-five cents per dozen. Naturally, the public is not going to buy from him until he is willing to accept the prevailing market price. Similarly, foreign countries will not buy from us if they can get the same goods cheaper elsewhere. They will not pay the extra twenty per cent to secure our currency, except in respect to goods that they can get nowhere else. The range of such goods is far too narrow, Mr. Speaker, to be made the basis of a prosperous foreign trade. It is infinitesimal in comparison with the broader range of our national economy and trade.

May I express the same truth in another way? My common sense convinces me that we cannot obtain more for our dollar than it is worth. The way to find out what it is actually worth is not to have the government write and tie its price tag upon it, but to take it into the market-place to discover what world traders will give in return for it. Only when we release our dollar from exchange controls and allow it to function freely will we have assurance, not only as to its real worth, but also as to the basic soundness of our own economy. For a sound currency the meeting of the daily market test of free exchange against other currencies acts as a balance wheel or regulator of a nation's economy. It must not be too dear to prevent other nations buying from Canada. It must not become too cheap to prevent Canada using it to buy needed supplies abroad. The narrow fluctuations of each day warns that it is departing from equilibrium. Imports or exports then adjust themselves to bring it back into balance. That is how simply the free dollar works. It has worked that way throughout history whenever it has been given a chance unaffected by government decree and monopoly.

By contrast, Mr. Speaker, exchange control has never worked. In essence, it is a tampering with a nation's currency. When kings used to tamper with the currency in the old days, they lost their heads. Today whenever governments try tampering with their people's currency under the pretext of controlling exchange, the people invariably end up with an economic headache. Today we are discovering that from sad experience.

The question now arises as to whether or not during the past decade, under the system of state-controlled bulk purchasing which existed, we have lost much of our ability to buy and sell in competitive export markets. It is questionable whether or not we have forgotten how to do business by trading. Our loss of traditional markets for Canadian

exports, and our failure to facilitate purchases of United Kingdom exports in short supply in Canada and which we have had to buy with scarce American dollars, warrants the immediate attention of the government. True, we have set up what is called a continuing trade committee and a dollar-sterling trade board. I think this indicates that the people outside are becoming so alarmed that they are going to do something on their own. I believe the government has given its blessing to that effort. I do not know how the government could have done otherwise because it has not done much about the problem. These efforts are creditable but are, at best, only exploratory efforts.

Our loss of traditional markets is of such concern to our future economic welfare in Canada that I suggest the problem be dealt with at top government levels at the earliest opportunity. Towards this end, I suggest that the Canadian government inaugurate steps for the holding of an empire trade conference at the earliest possible date. I make this suggestion, not with any idea of reverting to a policy of tariffs or violating our commitments under the Geneva trade agreements or the Annecy agreements, but in the firm conviction that this problem if tackled by top government representatives from all parts of the commonwealth can result in material advantage to all countries concerned.

The great British commonwealth of nations, Mr. Speaker, is not written off yet as one of the greatest trading forces in the world and is one in which Canada should be interested. Over five hundred million people are involved, and Britain has stood the longest of any of the world's great international organizations. In the early 1930's, an empire conference was held in Ottawa, following that debacle of the depression. I believe the result of it has been overlooked too often, Mr. Speaker, even by some of those to your right whose judgment, at times, is sound. Those people should know that no effort has been made in trade relations that has been so discounted as the British empire trade agreements of 1932 which were made in Ottawa. If anyone doubts me, Mr. Speaker, then I would ask him to look at the record. It would be found that inter-trade within the commonwealth in the five years following these empire trade agreements increased no less than fifty-two per cent.

We are a part, Mr. Speaker, of this great international institution, and despite our close association with the great republic to the south, we must not neglect a market that has been our best outlet for fifty years. The inroads being made today by communists or communist-dominated countries into traditional Canadian markets prove conclusively, I submit, the possibilities and advisability of such a conference as I have suggested. These clear challenges to our long-range economic security and national defence far transcend the shifting fortunes of government or opposition parties. They demand more than a nonchalant political approach. They demand our best business approach. The prosperity we enjoy now must be weighed in the light of stern realities of world conditions. Our optimism as to its continuity must be tempered by the powerful factors that can alter it so abruptly. If we are to build a firm economic foundation for the future, we must discount the artificial financial stimulants so simple to apply in good times but so difficult to practise in hard times. We must plan for that day when we will be on our own economically, when the United States Marshall plan may no longer supply United States dollars for our overseas customers to pay for our wheat and bacon.

I have no doubts about the potential greatness of Canada. I am not preaching blue ruin, but I have had enough experience in farming to know that, no matter how prosperous you may be now, it is well to look ahead. There is an old saying about the goose hanging high. But no matter how high the goose may hang, a man would be more than I should like to describe parliamentarily if he did not look into the future to see how this prosperity, artificial or otherwise, can be sustained and to what degree. I am not preaching that we have not prosperity. I have emphasized the fact that we have.

I have no doubt about the potential greatness of Canada, with her resources and her possibilities. Under sound common-sense development the energy, genius and initiative of her people are sufficient to provide an ever-advancing standard of living for more people and greater national security for peace and prosperity in the future. No other country today has such latent strength with so few people. The government of today has the greatest opportunity of any government since confederation, despite the problems I have pointed out. Temporary expedients for political power are now no longer necessary to a government that enjoys an embarrassing numerical power surplus, even if some of that support has been gained by astutely discounting free enterprise itself. Of course it would be doubtful sportsmanship on my part to suggest to the government that they should repent at this time after such a great victory; but with all respect I suggest that with the serious economic and defence problems that stare us in the face and scream for solution, the hour has struck when every hon. member

of this house, no matter to what party he belongs, should shed his political armour, put on his working clothes, and face the difficult trade realities that so stubbornly ridicule our folly.

The members of any other sound executive board would stop and take stock at this time, and count the costs. If we are to safeguard our growth and development in this country we must start playing more economics and a little less politics.

In the field of social legislation we have progressed far in the years that are past, especially since 1920. We have not reached the peak of our endeavour or even the desire of our people in this regard. All parties in this house subscribe to the objective of making benefits under welfare legislation as adequate as possible. However, Mr. Speaker, this nation must have keen regard for the costs of those services, and our abilities to meet them as permanent fixed charges against the changing fortunes of our economy.

Social security expenditures in the present year will exceed $800 million. That amount is double the total tax and non-tax revenue of Canada in the year 1935. In periods of prosperity, with the high national income we now have, the costs of these services may not be too burdensome. There is no one in Canada so unkind as to suggest that we should not do all we can in the way of these services as long as we can pay for them. But we must realize the costs of these services and make sure that they are not too great a burden on our economy.

We have no assurance that the national income will continue at its present high peak. We have, however, a fair indication of the social services that the people of this country demand and that the people who are in politics want to give. I think the time has come for a careful re-examination of our whole approach to the question of financing the social security measures we now have and which, as a nation, we must sustain and expand in the future.

To the extent that unemployment insurance, old age pensions and family allowances may tend to keep up purchasing power, they will help this nation to meet problems that arise in a depressed economy. But let there be no illusion in the minds of our people about how social security measures are financed. They are paid for out of national income which, in reality, is the product of those who work. In other words, these services are, in the final analysis, made possible and are maintained, not by the government but by the national production and initiative of the Canadian people. Let us recognize that if it were not for the great wealth of our natural resources, combined with the industry and initiative of our great people, we as a nation, with such a small population, could never begin to take care of social security obligations involving $800 million this year. This is saying nothing of the welfare state that is suggested and the social services that many of us believe should be brought into being. There can be no true or continuing security for anybody without production of wealth, production that gives work, and opportunity for work that gives production.

The Minister of Finance closed his remarks last night by citing the tax reductions made each year since 1945. These reductions were, in the minds of the Canadian people, both welcome and necessary, and many of them were overdue. What the minister did not point out, however, was the relationship of government expenditures, or cost of government, to the gross national income of the country. If he was in his private business office, these are matters with which, I submit, he would deal, in any business concern he might be connected with. I do not mean to say that he is not just as honest in his public service, but he has so many miscellaneous problems that it makes it difficult for him to practise exactly the same in politics as you often have to practise in business. Now that the election is over I hope that the minister will get back to sound business practices.

I find that in 1938 our expenditures totalled $553 million. That was a great deal of money. At that time our national income was $5,100 million. This year our expenditures, according to what the Minister of Finance said last night, are going to be around $2,400 million. The national income that is flourishing so greatly, that he and the Minister of Trade and Commerce said during the election campaign was mushrooming all across the country—they were getting volume and dollars so mixed up that the people believed they were producing more volume than they ever did before—is approximately $13 billion. That is a great deal of money.

Mr. Abbott: Closer to $15 billion.

Mr. Howe: Sixteen billion.

Mr. Rowe: I know that two or three billion do not make much difference to hon. gentlemen opposite. Perhaps it has grown in the last few days. I am not like the Minister of Trade and Commerce (Mr. Howe), who one night said that a million dollars did not seem to matter. I do not want to imply that I am so reckless that a billion or two does not seem to matter much. But I do know this, Mr. Speaker. Our national income this year is up two and one-half times what it used to be in days gone by, but our national expenditure for the same period is up four and one-third

times. It is only a matter of mathematics for some of the experts in the Department of Finance to figure out how long we can go on in that way, where no matter how much you get in you are paying more out.

Mr. Abbott: If we have to fight many more wars, we shall be worse off.

Mr. Rowe: The Prime Minister (Mr. St. Laurent) says there is not going to be any more war for five years, so my friends have nothing to worry about in that regard.

Buoyant revenues, resulting in surpluses for the past few years, have resulted in a decreased attention to the need of strict economy in administering government services. Our commitments for social welfare measures now on the statute books and as well measures contemplated and projected, plus the interest charges on our public debt, are inescapable.

To meet the danger of such a situation loading the economy of this country with a burden it is not yet prepared to bear, I would make the following recommendations in the sincere hope that this government, no matter how complacent they may feel with the great majority behind them, will give them every possible consideration. I would like to suggest to the Minister of Finance: One, the inauguration at once of a government-wide economy policy without creating undue hardship or hindering the economic development of this country. As a suggestion, I would like to see a survey undertaken to ascertain the percentage cost of the collection of revenue today as compared with the last year before the war. Two, in order to assure the ability of this nation to sustain the social security policies, the various price support programs, and the other fixed charges of government to which we are committed, and as well provide the necessary defence preparedness program Canada must have—no matter who says we are not going to have any trouble, I believe it is most essential—I suggest the inauguration, in co-operation with the provinces, of a national development program.

While economies can and should be undertaken at once, I do not believe that the effect of these economies alone, no matter how rigid they may be, would be sufficient to meet the staggering burden of increasing fixed charges on our national economy. We must increase production and if we are to stabilize our economy and make a sound recovery this must be accomplished. This can only be achieved by the genius, enterprise, and thrift of our people in expanding and developing more rapidly the great natural resources of our country. That is the only way we can develop our resources as rapidly as we should.

If we are to maintain our high standard of living, an adequate policy of social welfare, a high percentage of employment which is desirable to us all, and adequate defence preparedness, which no one wants neglected even if it means more taxes, then we must direct our efforts to those avenues that will create new wealth. To do these things we need a policy of development as much as we needed it in the days before 1900. Only a new accelerated production will create this national income sufficient to sustain those things to which the government now stands committed. We have built great structural buildings for a small population of about 13,000,000. If we are to live better than anyone else, be happier and nicer to each other and do all the things we want to do, we have to enlarge and expand our genius, initiative and hard work to develop the greatest resources that any similar number of people have ever enjoyed. Fortunately, in this country we are endowed with great resources. The oil and coal fields of Alberta, the mining fields of Ontario, Quebec and Newfoundland, the productivity and diversification of the agricultural industry of our provinces, the large timber areas of British Columbia and other parts of Canada, coupled with the industrial expansion of this nation, have in the last decade divulged more wealth than this country ever dreamed of.

The challenge now is one of fuller utilization of these resources, and the leadership for this must be encouraged rather than discouraged by the government. That leadership, however, must not be restrained by government controls and currency restrictions. It must not be restrained by the stagnant hand of socialism. Commitments must not be increased further in the future without serious regard for the fixed charges that are involved so that we may be able to meet them in times of recession as well as in times of prosperity.

I suggest that when the Prime Minister reorganizes his cabinet, which I understand he is going to do immediately following this session, he give consideration—

An hon. Member: Oh, Oh.

Mr. Rowe: An hon. member laughs. It sounded like a laugh of satisfaction. Perhaps some will go to the Senate.

Mr. McCann: You fellows are reorganizing it every three months.

Mr. Rowe: Judging by the size of the majority in the Senate you have been doing it every three months. I hope that when the Prime Minister reorganizes the cabinet those who go over to the quiet halls of the red chamber will come back to some of these

midnight meetings and urge the Prime Minister to establish a separate ministry that will give full attention—

Mr. Cruickshank: We do not change our leader every three months.

Mr. Rowe: I hear a voice from British Columbia. Perhaps the hon. member is ready to take it on, I do not know. I hope they will direct their full attention to the development of the great resources of this country.

Canada needs foreign capital. As the minister knows so well, she needs enterprise and development. Our fiscal and taxation policies must be sound and attractive to those within and without Canada whose faith in our great potential resources prompts them to venture and risk their savings in the enterprise of our country's expansion.

In order to assist the government to try and open up greater opportunities in this country, to try to broaden the basis of taxation and to try to have our great resources flourish and expand so that the people can get the most out of them and this country reach her destiny, in order to assist the government in that and in safeguarding our economic security and progress generally, I beg leave to move, seconded by the hon. member for Danforth (Mr. Harris):

That all the words of the resolution after the first word "that" be deleted and the following substituted therefor:

This house regrets that the government has failed to take effective measures to prevent the present decline in our trade with the sterling area and is of the opinion that the government should consider the advisability of inviting the nations of the commonwealth to a conference in the immediate future for the purpose of working out arrangements to preserve and enlarge those traditional markets on which jobs and opportunities for Canadians very largely depend.

Mr. W. Ross Thatcher (Moose Jaw): Before I begin my remarks this afternoon, Mr. Speaker, I should like to take exception to a report which appears in today's Toronto *Star* and which was just handed to me. It reads as follows:

To serve their own political ends Progressive Conservatives and the C.C.F. are conniving to "block, hinder or delay" the Liberal government's low-rental housing program, Perry Ryan said last night at his Toronto-Greenwood campaign headquarters. The Liberal contestant in Monday's by-election said both parties "automatically" opposed the government's plan for rental relief because it had been offered by the Liberals. They were against the program, he said, "because they would rather see appalling housing conditions continue than admit the Liberal government had a good plan to correct conditions."

I say, Mr. Speaker, that such a statement is a deliberate misrepresentation. Whether the Liberal candidate is a lawyer or not he should look at the libel laws of Canada, because we may have occasion to use them if he does not watch his statements. In the C.C.F. group in this house there are thirteen members. I believe the Liberal party has 186. The candidate in Greenwood gives our thirteen members a great deal of credit if he suggests that we can hold up the Liberal party's housing program. This group has asked for low-rental subsidized housing ever since the end of the war. If the city of Toronto has not low-rental subsidized housing today it is the fault, not of our thirteen members, but of the Liberal party, the party of which he is a candidate. I am sure that responsible Liberal leaders would not approve of the statement he made last night in Toronto, and on behalf of this group I wish to take the strongest possible exception to it.

At the outset of my remarks this afternoon I must admit frankly that this is not the easiest budget in the world to criticize, for two reasons: It is difficult, first, because it was originally presented to the house more than six months ago, and secondly because, as the Minister of Finance (Mr. Abbott) pointed out last night, the government which presented it has since that date received an overwhelming mandate from the people of Canada.

May I say however that I am privileged to be speaking this afternoon—even though possibly my hon. friend from Fraser Valley (Mr. Cruickshank) will wonder why I am doing so.

Mr. Cruickshank: I certainly do.

Mr. Thatcher: If the purpose of the budget was to win an election for the Liberal party, or to help win it, then very obviously it has been a successful budget.

A few weeks before the election was announced the minister and his colleagues were able to give a great many gifts to a great many people. For instance, the minister was able to promise tax relief to hundreds of thousands of Canadians. He was able to increase old age pensions for a large number of old age pensioners. Indeed I believe he was able to promise the building of a new bridge in the Cape Breton area. Thousands of prairie farmers were refunded millions of their own money in the form of participation certificates.

And so it went. The minister and his colleagues were able to give many things to many people; and from the viewpoint of the Liberal party the budget can be described only as a clever, effective and well-timed election—

An hon. Member: Bribe.

Mr. Thatcher: —bribe. That is as good a word as any—or an election instrument. Certainly the minister was most successful, in a political sense.

However the election is now over and I think that today we might leave the political aspects of the document behind. Some people look upon the budget only as a balance sheet of the nation's affairs. If it shows a surplus, then for the most part those people consider it a fairly good one. I know most hon. members would consider such a viewpoint to be superficial. It seems to me that, first and foremost, an effective budget should contain proposals to meet the major economic problems facing the nation. In our opinion this budget before us today fails to do that.

Probably the most critical problem facing Canada at this time is our steadily developing trade crisis. Most authorities agree, I believe, that before many months go by, the standard of living of most Canadians might well be affected by that trade crisis. As reported at page 1802 of *Hansard* for March 22, 1949, when the minister presented the budget, he said:

> The Canadian government has taken and will continue to take all feasible steps to encourage the expansion of British trade with Canada.

I feel I must challenge the validity of that statement. The C.C.F. group in parliament feels that, far from taking all feasible steps to meet the deteriorating trade picture, the government has been apathetic, indeed it has been negligent, in its efforts to improve British-Canadian trade. In our opinion that negligence and apathy is the chief shortcoming of the budget we are discussing today.

It is so evident that Canada is facing a trade crisis that I do not think I have to labour the point this afternoon. During the recent election, as the hon. member who preceded me said, many cabinet ministers in various parts of the country made election speeches stating that Canada, after all, really had no trade problems.

For instance, the Regina *Leader-Post* carries the following report of a radio speech delivered by the Minister of Agriculture:

> He asserted that, despite claims to the contrary, neither the home nor export markets were in danger of being lost.

Then a press report of the minister's speech delivered at Simpson, Saskatchewan, a few days later states:

> Market is Safe Gardiner Says
>
> Hitting out at political opponents who have been accusing the Liberal government of losing Canada's markets, Agriculture Minister J. G. Gardiner declared at a public meeting here Wednesday night there is no truth in such suggestions because Canada has no surplus of farm products to sell.

I ask hon. members to note the headline, "Market is Safe Gardiner Says." That was a few weeks before the election. Then the election came along. I happened to pick up an issue of the Toronto *Globe and Mail* a few weeks later, and I find that in this article the minister is reported to have been again talking about markets. This time however he had a different story. The article is headed "Gardiner Unsure Canada Can Hold U.K. Food Markets", and states:

> We are trying to maintain Canada's markets in Britain, but there is no certainty that we can do so.

Please note those two statements: Gardiner before the election, "market is safe"; Gardiner after the election, "market is unsure". What happened in that time to change the situation?—unless it was the election. If I did not know the Minister of Agriculture so well, if I did not know his reputation, I would almost think he was trying to delude the electors of Canada.

An hon. Member: He would not do that!

Mr. Thatcher: Some of the other ministers were equally confident of trade prospects during the election. On June 18 at New Westminster we heard from the Minister of Trade and Commerce (Mr. Howe). A Canadian Press dispatch carries the headline —"Howe Tells B.C. Liberals He's Stuck for Something to Sell". Then, over the Canadian Broadcasting Corporation stations, on June 3, the minister said, as reported in the Toronto *Daily Star*:

> Anyone who suggests trade relations between Britain and Canada are deteriorating is talking nonsense.

Certainly the Minister of Trade and Commerce in his speeches before the election simply oozed confidence. I wonder if his statements were in accordance with the facts. I wonder if things were as good as he pictured them. Certainly many people in Canada did not think they were.

Here is what the Canadian exporters association had to say—around the time the minister was speaking—and I quote from the Montreal *Gazette*:

> The federal government is charged by the . . . Canadian exporters' association with misleading the public as to Canada's export position through false statistics and unqualified announcements of trade progress.
>
> The government is further charged with allowing continued and accelerating deterioration of the country's position and is asked to take constructive steps to recover a loss in world markets.
>
> As a result . . . Canadian producers and the people of Canada are largely unaware of the markets Canada has lost abroad, of the danger that threatens our export trade.

That is not the statement of a C.C.F. member, or a C.C.F. organization; rather it

is the statement of a group of businessmen whose duty it is to look after the Canadian exports.

The Minister of Trade and Commerce went back last night to address the same body. I believe he spoke at a banquet, but this time he had an entirely different story to tell. In effect he told them that the situation was pretty serious. I do not think the minister would suggest that, as he put it, the Canadian exporters association was talking nonsense when it said that the trade crisis was deteriorating. When the Minister of Agriculture and the Minister of Trade and Commerce told the people of Canada several months ago that our traditional markets are safe, I do not think they were speaking correctly. They know now, as they knew then, that our traditional markets—particularly our market in Great Britain—have never been in greater jeopardy.

Our markets in Britain have been shrinking ever since the close of the war. This has been true particularly of our manufactured and processed goods, upon which we depend so fully to maintain full employment. But it has also been true of such pre-war staples as farm products, lumber products and the products of our fisheries. Our exports to Britain have been shrinking despite the fact that we have been making substantial gifts and loans to Britain. They have been shrinking despite the fact that the Americans have granted heavy ERP aid to the British to finance purchases in Canada.

As a matter of fact Britain today is buying from countries in western Europe many of the products which formerly she obtained in Canada. The causes of our present trade difficulties are well known to most hon. members, and I shall not take the time of the house to go into them. Prior to the war Britain bought three times as much from Canada as we purchased from her, but because of the devastation of war she is no longer in a financial position to do that. Great Britain has been forced by harsh realities to buy from those countries that will buy from her. It is not a case of ingratitude, as was suggested by some hon. members early this session; the fact is that she has not been able to trade with us on the old basis simply because she lacks Canadian dollars to do so. Unless we can do something to let Great Britain earn more Canadian dollars, then the chances are that our primary markets will disappear to an even greater extent.

The Minister of Agriculture (Mr. Gardiner), the Minister of Trade and Commerce (Mr. Howe) and other ministers have been telling the country that all is well, that our trade markets are safe. How can they reconcile those statements with some of the statements British officials have made when visiting this country? On his trip a few months ago Harold Wilson, the president of the British board of trade, is reported in a Canadian Press dispatch of May 13 as having said:

> We are faced with the knowledge that Marshall dollars will progressively decline between now and 1952.
>
> So unless we manage to push up our earnings of United States and Canadian dollars faster than offshore dollars decline, we shall be able to buy less from Canada in future rather than more . . . even maintenance of the present rate will be dependent on a great expansion of our exports to Canada.

The Right Hon. Ernest Bevin told us precisely the same thing when he was here in Ottawa several weeks ago. Prime Minister Attlee, Sir Stafford Cripps and other British statesmen have told us, not once but many times, that the only way we can avoid this trade deterioration is by buying more British goods.

Last evening the minister told us that in the last twelve-month period our exports had been greater than in any similar period in the past. That may be true, but those exports are greater, first, because of the huge loans and credits which have been extended by our government; secondly, because of the ERP expenditures made in Canada which I understand will total $800 million this year, and thirdly, because we have not had to face German, Japanese and Czechoslovakian competition in the last few years.

ERP aid will probably be discontinued in the near future and at the same time competition from the countries I have mentioned will become progressively greater. Surely there is no cause for complacency in our trade picture. When he spoke last night even the minister hastened to point out that a decrease in exports was inevitable.

I believe the government has sought alternative markets for our primary products, particularly in the United States, but in spite of that search I think it is safe to assume that our best markets for lumber, wheat, farm products, fruit and the like will continue to be in Great Britain. The one way we can protect that market is to increase British imports. It seems to me that the government has been particularly apathetic in finding methods of increasing those exports.

Last night the minister spent about fifteen minutes telling us about the seriousness of the trade situation. He told us why some action had to be taken to increase British imports. He informed us that the dollar countries would have to remove tariff barriers, and then suddenly when we thought he was

going to tell us about the action the government proposed, he changed the subject and was content to say: "This is the situation which we must constantly keep in mind"; the government is "weighing action"; the government is "actively reviewing measures", and so on. In other words, he did not announce any concrete steps. He did not announce any immediate program. He did not make any attempt to translate his words into action of some kind.

Far too often, it seems to me, we in Canada forget that in order to be an exporting country we also have to buy. Our failure to realize that fact has caused a great deal of resentment, and rightly so, in Great Britain. They feel that perhaps Canada is not doing as much as it could to solve the present crisis, which after all is ours, as well as theirs.

Some weeks ago the British took drastic and courageous action to try to get into the North American markets when they devalued the pound. I think it is fair to say that if the tariff barriers on the North American continent had not been so high the British would not have had to devalue to the extent they did. But they brought about that devaluation despite the fact that they knew their cost of living would be forced up. They realized that devaluation was only an initial step which presented no permanent solution. They knew that it would allow them a little time, but if it is to prove of any real value they will have to find a long-term solution.

I suggest that it is in Canada's interest and in the interests of this parliament to help Great Britain find that long-term solution.

The Liberal party so far has failed completely in my opinion to adopt a vigorous import policy. They have been active on exports, but they have not been active in encouraging imports. The government has stood idly by, and is still standing idly by, while the British and European buyer has been gradually choked out of the Canadian market because of a lack of Canadian dollars. Surely it is the duty of parliament to rectify that threat.

I believe it would be in the national interest if this government set up an import board whose duty it would be to encourage British imports and imports from sterling countries, whose duty it would be to take imports now being obtained from the United States and reallocate them to British manufacturers. It is true that a private board was set up this week by a number of private citizens. I believe it is called the dollar-sterling board and is under the chairmanship of Mr. Duncan. We think that is a step in the right direction. It might be of some help, and we hope the government will give it every assistance, including financial aid. But we do not think it is the final answer. We believe there should be a government board set up with all the support of the government behind it, manned by men who would spend their full time on this problem. This is a step which the C.C.F. party hopes this government will take in order to meet this trade crisis.

If we are as anxious as many have said they are, to give the maximum encouragement to British imports, certainly the time has come to grant the British tariff concessions. It seems to me that government tariff policy in recent years, particularly where Great Britain is concerned, has been very shortsighted. When delivering his budget speech on March 22, 1949, the minister said, as reported on page 1801 of *Hansard*:

> In view of the pending tariff negotiations at Annecy and other trade discussions which are envisaged . . . I am not proposing any tariff changes at this time.

He said that in March. That is strange language coming from a minister of a government which for years has paid lip service to the principle of freer trade. Several years ago the Geneva trade agreements were announced in Canada with a great deal of fanfare, but to this moment the government has not presented those agreements to parliament and allowed us to either approve or disapprove of them. As a matter of fact, many of the benefits which would have accrued to Canada from the Geneva agreements were nullified by government embargoes and the like.

The Annecy agreements were tabled several weeks ago but I do not think the most ardent Liberal will suggest that their effect can be anything but minor. About $20 million out of a total of $2 billion will be affected, less than one per cent of our trade. The Annecy trade agreements do not even touch Canada's basic trade problem. The government is only nibbling at the fringe of our trade difficulties. It has been making a great deal of fuss about very little when it talks about the Annecy agreements.

Of course Canadians will welcome the changes, but most of them will realize that the Annecy agreements are only a drop in the proverbial ocean. In his budget speech this March the minister piously said that it was government policy to facilitate the efforts of United Kingdom exporters to regain their historic share of the Canadian market, and that that was particularly so in the case of cotton piece goods. That was a sensible policy, but while in one breath the minister enunciated a policy of helping the British, in the next breath he announced higher tariffs on British textiles. The minister talked one way and acted another. At the very moment when we should be doing something to

increase British imports, at the very moment when lower tariffs are called for, the minister, a minister of a free trade government so-called, brings in higher tariffs. I do not see any consistency in that policy. As a result, British textile manufacturers have found it increasingly difficult to sell to the Dominion of Canada. A Canadian Press dispatch dated October 6 from London bears the following heading:

Tariff on Textiles Termed "Almost Disastrous"

The article quotes a British board of trade official as saying:

Reimposition of a Canadian preferential tariff on British textiles last July has had an "almost disastrous" effect on efforts to sell more cotton and rayon goods in Canada, a board of trade spokesman said yesterday.

Last night the Minister of Finance (Mr. Abbott) said that he was most encouraged and pleased to see President Truman giving leadership where tariffs were concerned. We think it is time that Canada also gave a little bit of leadership. Must we always play follow the leader? At this time we call upon the Liberal party to implement its long-standing pledge of freer trade. We ask for an immediate and substantial downward revision of tariffs on British commonwealth goods and on goods from the sterling areas, first, to allow those nations to earn Canadian dollars to buy our goods, and, second, to help lower the cost of living of the Canadian people.

I know that the Minister of Finance will probably say that such action is not feasible because of the Geneva agreements. I would point out to him in the first place that the Geneva agreements have not been ratified by this parliament. I would point out in the second place that, as I understand the Geneva agreements, there are various escape clauses which can be used to give the British preference if it is necessary, or if there is an emergency. I think there is an emergency today. Lower tariffs then are the second step which the C.C.F. suggests to solve our present trade crisis.

There is one further step which should be taken. During his budget speech the Minister of Finance repeatedly stated that he was opposed to bilateral trade agreements. I must say that I agree with a good deal of what he said. Yet no government can decide on its own what it is going to do and then pursue that policy regardless of the wishes of the nation with which it is trading. It is not a question whether or not we like to trade by bilateral methods. It is a question whether, in order to keep our British markets, we are willing to trade bilaterally if the British wish us to do so. Therefore we think that, if Great Britain wants to make a bilateral agreement, rather than lose those markets the government should be willing to do so, where it is practical.

To conclude, Mr. Speaker, as I said earlier the main criticism which this group has of the budget is its failure to take adequate steps to meet the deteriorating trade situation, and particularly British-Canadian trade. We do not think it is enough for parliament to indulge in talk, drift along, and do nothing, because it lacks a program which will result in action. We urge the government to take the following steps without delay: (1) establish government import boards whose purpose it would be to encourage imports from British and sterling countries generally; (2) reduce substantially tariffs on goods coming from the British commonwealth and sterling area; (3) enter into bilateral agreements with the British if they so desire; (4) endeavour to sign long-term agreements for primary products such as wheat, livestock, fish, lumber, et cetera.

I move, seconded by the hon. member for Assiniboia (Mr. Argue):

That the amendment be amended by deleting therefrom all the words after the word "should" and substituting therefor the following words:

"Give immediate consideration to a reduction of tariffs sufficient to encourage an increase in imports from the United Kingdom and other sterling countries."

Hon. members of the Liberal party will see that there are no strings attached to that amendment. Anyone who believes in freer trade should have no difficulty in voting for it. I call upon my Liberal friends to vote the way they have been talking for the last fifty years.

Mr. Solon E. Low (Peace River): Mr. Speaker, the financial year is more than half gone, and here we are, the elected representatives of the people of Canada, just now getting down to the consideration of the government's financial policy and program for the fiscal year 1949-50. I think that is an absurd situation. I say that for this reason: In spite of the fact that we as members of the House of Commons, the people's elected representatives, should be exercising control of the purse strings of the nation, the executive have gone ahead for more than seven months with plans of their own for which they have absolutely no legislative sanction whatever.

That is one of the things that lead me to a conclusion that I want to discuss briefly a little later this afternoon, namely, that Canada is rapidly developing in absolutism. That is a serious situation. It seemed to me that, as the jovial Minister of Finance (Mr.

Abbott) presented his budget speech last night, he emphasized, if not by his actual words at least by a number of implications at several points, that the buoyancy of revenues, the condition of high production, the very satisfactory employment situation, and the general prosperity accompanied by those other circumstances, are entirely the result of the policies that have been pursued by the Liberal party. It seemed to me he suggested that they were all Liberal achievements for which the Liberal government of course quite readily wished to take the credit.

Anyone listening to the minister last night would agree that he was making no unmistakable claim that all these conditions came about as a result of the wise guidance of his colleagues in the cabinet of the Liberal party. Yet it has been my belief all along that the prosperity and the buoyant revenues of the various countries of the world—and by the way Canada has not been the only one which has experienced such things; they have taken place under governments of different stripes, Liberal, Conservative, Socialist, or what not—arose as the result of the action of one Schicklgruber who brought on the war. It is unfortunate that Hitler, who started the war, is the one to whom we have to give credit for the prosperity we have had since 1940 and 1941. That is tragic, but it is true nevertheless.

I am quite prepared to give the Liberal government full credit for full employment, revenue buoyancy, debt reduction, high production and prosperity if at the same time they are prepared to take credit for bringing on the war. I wonder if they are prepared to take the responsibility for the suffering and the anguish of the thousands who lost dear ones as a result of the war. I wonder if they are prepared to acknowledge that they are responsible for the tremendous increase in the national debt which has risen from about three and a half billion to around sixteen billion gross since 1938, and the interest burden that rests so heavily on the people, which has risen from approximately $140 million a year to about $450 million. I have not heard them declare that they are ready to take the responsibility for the increase in taxation by more than four times what it was in the last year before the war. I only inject these comments into the introduction of what I have to say by way of a sober reminder that the government must be careful about what it takes credit for, and a sober reminder to the government that most of those things for which they did take credit came about as a result of the circumstances of the times, coupled with the superhuman efforts of all the Canadian people.

[Mr. Low.]

In the minister's speech last night, under the heading of "Economic Review", he had this to say:

> The latest figure for the wholesale price index is one per cent below a year ago, and for the cost of living index two per cent above a year ago.

Now, sir, during the course of my comments on the budget last spring, I emphasized the tragic results of the minister's failure to do something about the cost of living. It was not impossible for him to deal an effective blow against the continued rise in living costs in this country. At that time I contended, and I still contend, that the government should have overhauled the whole of its tax structure, beginning with the sales tax and other hidden taxes. On a number of occasions in this house, I have shown how the hidden taxation to which the government is addicted gives rise to a deadly upward spiral of consumer prices and the cost of living.

The eight per cent sales tax that is collected by the manufacturers from the wholesalers becomes a part of the wholesaler's cost. His regular mark-up, therefore, has to include the sales tax and so it increases the cost of the goods to the retailer. In due course, the retailer increases his price to the consumer in proportion, so there is a pyramiding effect all the way along through the imposition at different levels of these hidden taxes. It must not be overlooked, Mr. Speaker, that the sales tax is added to the tax paid on imports which further increases the cost of production and prices to the consumer on many items in daily use throughout this country. There are quite a number of other hidden taxes on products which are not called sales taxes. They are added at different levels of production and distribution, but they really have the same effect of pushing up the cost of production. All of these taxes contribute to the almost unbearably high cost of living under which the Canadian people have had to live for a number of years.

Everybody has had to pay these taxes. I contend, sir, that it is unfortunate that they bear more heavily in proportion on the poor than on the rich. These hidden taxes are just another way of freeing the rich from taxation and putting upon the poor the major burden of the taxes that are paid in this country. Even at this late date, the government should have wiped out the sales tax with one stroke. It only brings in, Mr. Speaker, approximately $350 million a year. By eliminating this tax, and by coupling it with action which would have given some concession perhaps to manufacturers and to industry, a very substantial reduction in the cost of living could have been ensured quite quickly.

Instead of this desirable action, last night the minister merely brushed a crumb or two off the ministerial table for a few of the poor people of this country when he removed the sales tax from fuel oil and cider. Few poor people can buy cider or wine anyway.

Mr. Diefenbaker: And it would not affect the price anyhow.

Mr. Low: No, that is quite true. I should like to speak for just a few moments on this problem about which we have heard a good deal this afternoon. I do not intend to repeat at any length any of the things that have been said. I shall try to deal with the subject from an entirely different point of view. In the minister's speech last night, he admitted we do face a trade crisis.

Mr. Abbott: No, I made no such statement, Mr. Speaker.

Mr. Low: I know the minister did not make that statement in so many words. While it is true, Mr. Speaker, that during the recent election campaign the Liberals denied that there was a trade crisis, last night the minister used these words:

> Nevertheless, some declines in our overseas export markets have already occurred and some further declines can hardly be avoided. The government will do everything in its power to limit this decline in overseas trade but much will depend on the progress which our overseas customers make in overcoming their dollar difficulties.

This is mild language, sir, that is intended to soften somewhat the seriousness of the whole trade situation that we have been facing, not for just a few weeks but for months. The minister's attendance at both the London and Washington conferences, together with what was done there and the statements he made while he was there, indicate rather more clearly than his words last night the seriousness of this whole situation. By the way, it is not of recent origin; Canada has faced a serious trade crisis for almost a year.

In referring to the two conferences at London and Washington last night, the Minister of Finance referred to the consideration that was given to both long-term and short-term measures which it was hoped would provide solutions to the trade impasse that has most of the countries of the world thoroughly worried. The minister said the long-term, positive objective must be the achievement of a pattern of world trade in which the dollar and non-dollar countries could live together within one single multilateral system under which a balance would be achieved by the expansion and not the contraction of trade. I believe those are his words.

Now, Mr. Speaker, to our mind that is a most worthy objective. At least, it is a good start. The minister did not say, however, along what lines the discussion took place in efforts to find ways of achieving that objective. For instance, I should like to ask the minister and perhaps when he does speak in rebuttal he might deign to answer it—although on a number of occasions before we have asked questions which have received only a polite silence from him: Did the representatives at these two conferences, and particularly the Washington conference, consider as one means of getting on the right road towards the adoption of this multilateral type of trade a conversion of goods balances basis rather than the old basis of the convertibility of currencies which has failed? If not, I appeal to the government and the minister to give this idea of multilateral trade on the basis of convertibility of goods balances careful study to see if it would not be possible to adopt it as one means of helping to straighten out this world tangle.

I am sure the minister knows that multilateral trade on a convertibility of currencies basis is at the present time an utter absurdity, and it is likely to remain so until two very important changes have been made in the world. When I say "two important changes" I refer to the attitude of the United States concerning favourable trade balances, and the fact that international exchanges are and have been in the hands of manipulators who promote currency wars for their own benefit.

Why do I say that multilateral trade based on the convertibility of currencies has failed? In the first place, the convertibility of currencies has been rendered impossible. The whole world has suffered from a shortage of United States dollars which has resulted from the determination of the United States to have a favourable balance of trade year after year. To ensure this, the United States must export more than she is prepared to import each year. Under such circumstances, anyone can see that there can only be one end and that is a world crisis in trade developing out of a shortage of dollars. I should like to illustrate what I mean by quoting some figures which I obtained from the United States embassy showing the amount of American favourable balance of payments for last year. They are as follows:

Exports goods (exclusive of Marshall aid)	$13,398,000,000
Interest on investment	1,257,000,000
Services	2,171,000,000
Total	$16,826,000,000

Turning to their import side:

Imports goods	$ 7,711,000,000
Interest on investment	274,000,000
Interest on services	2,506,000,000
Total	$10,491,000,000

In that series of figures I want to note particularly the tremendous sum for interest on services, $2,506 million as a result of investment policies over the years. Exclusive of any Marshall aid or ECA funds, that makes a favourable trade balance, for the year 1948, of exports over imports of $6,335 million.

Mr. Abbott: It was balanced by Marshall aid.

Mr. Low: No, that is not true.

Mr. Abbott: Largely.

Mr. Low: This is exclusive of Marshall aid. These are figures that we obtained from the United States embassy today. If you add the Marshall aid, it brings the total favourable balance for the United States for last year to something around $11 billion. No wonder the world has suffered a shortage of dollars! There could be nothing else under those circumstances.

Surely the whole solution of this problem turns on whether the United States in future will make available to the world an adequate supply of their dollars by balancing her trade with the world. It simply means of course their willingness to import into their country goods which they have purchased with their dollars in the other countries of the world, or to export less; in other words, buying from all of the countries of the world an aggregate of goods and services equal to the aggregate of those same things which they export to the rest of the world. That seems fundamental. But I am convinced that to achieve such a desirable end the commonwealth nations will have to draw closer together and will have to stand side by side, solidly shoulder to shoulder, to provide that balancing factor which is necessary to bring the world successfully out of its terrible position of unbalance in trade. As far as I can see, there can be no other way. It will certainly be necessary to modify or to suspend the most-favoured-nation clause in trade agreements until all the nations have demonstrated their willingness to balance their trade with the rest of the world. That unconditional most-favoured-nation clause will have to be modified.

I should now like to turn to something which is closely allied to this whole situation in trade, and that is the industrial development in our own country. The problem of industrialization cannot be divorced from our trade problems. Canada is twenty-five years behind the times in the development of her resources and her industry. I have here some figures which I obtained recently from our own bureau of statistics; they will indicate what I mean and will drive home the seriousness of this situation.

One of the things which are cluttering up our trade position is this. These figures indicate that last year we purchased from the United States, with cold United States dollars that are so scarce, coal to the value of $203,415,929. We bought in that country and from dollar countries oil to the extent of $187,241,729. We bought steel, raw and manufactured, to the value of $713,126,672, with United States dollars that have been so scarce; and we bought sugar to the extent of $560,551. One of the great reasons why we have been drained, almost bled white, of our reserve of United States dollars is the fact that we have not taken the bold course in developing our own resources and industry to the point where we can supply many of these things ourselves; and there is not anyone here who can deny that we could produce many of these things by ourselves and do so economically.

Canada should be pursuing a most vigorous national policy toward self-sufficiency in the essentials of living so that we can have a goodly measure of independence, a thing we do not possess today. Every time a strike takes place in the United States or in some other country of the world, it makes Canadians go short of things which we could be providing for ourselves. Right today the people of Ontario and Quebec are living in the shadow of fear for this winter because of the coal strike in the United States. Yet all the time we are living in a land that was abundantly blessed by the great Creator who placed right here in our own land forty-nine billion or fifty billion tons of coal that has not been developed.

I know of deposits of coal in large areas in Alberta, where the coal can be mined almost with strip methods at low cost. That is hard coal that can compare quite favourably with coal which we import from Ohio and Pennsylvania. That coal can be brought down and put onto the market of the east, in the central provinces, in competition with coal that is being brought in from the United States. We have lacked the vision or leadership to develop those mines and our transportation facilities so that we could bring that coal down here and satisfy this eastern market, thus making ourselves independent at least to that extent.

What I have said about coal is true of other things, steel in particular. There is no reason in this world why we should be purchasing sugar from any dollar country today or why we should be under that necessity. I say that in times of crisis, in times of stress, Canada must be in a position of independence. We must encourage industrialization to the greatest extent possible and as fast as possible. It must be done on a regional basis

with widespread dispersion for safety's sake in these times. We must see to it also that justice is given to the various regions of Canada where justice has been absent hitherto. My friend the hon. member for Dufferin-Simcoe (Mr. Rowe) dealt to some extent with the problem of devaluation and I do not intend to labour it at all. I spoke about deflation once before and placed our views before the house, but I should like to say just a word about it. I think the minister described it as a short-term measure to improve world trade. It does seem strange, but it is true, that from a world point of view somebody seems to be able to drum up a crisis almost any day. The modern crisis, as revealed by the administrator of our finances last night in his budget speech, is that we are short of dollars. The minister and his counterparts from other countries met in London and in Washington. Evidently they believed that the way to meet the situation was to make dollars dearer, which they proceeded to do by devaluation. This was done evidently on the understanding or in the belief that it would make it possible for Britain to sell more in the United States, and of course to obtain less dollars from the sale. We have to keep that in our minds, and it would also enable Britain and Canada to buy less goods in the United States for more pounds or more Canadian dollars. I suppose one could use up a good many minutes of time discussing the merits or demerits of this whole thing as a short-term objective; but my inclination just now, Mr. Speaker, is not to launch out in discussion of the objectives but to try to probe the question that goes to the very root of our economic discontent of which devaluation is but one of the symptoms.

I speak of the widely held belief that money is and should be treated as a commodity in itself. It is a vicious conception. A mass of evidence to support my contention was placed on record before the banking and commerce committee of this house in 1923, and also before the Macmillan commission in London in 1930, I think it was. Out of the masses of evidence collected in these two hearings one gets clearly that the idea of money as a thing itself to be bought and sold like beans or rice or automobiles was very widely held at that time, and held almost with the fervour of a religion. This accounts for the fact that many of our most respectable Canadian citizens would throw up their hands in holy horror at the suggestion that they use an elastic tape measure; that they can see nothing at all objectionable in a rubber unit of account. That is a thing that is astounding to many of us who have studied this matter. But a rubber unit of account is exactly what the manipulators have made of the Canadian dollar, of the pound sterling and of the United States dollar. There is a very real objection, sir, to a rubber unit of account. We Social Crediters object to it because it is destroying civilization step by step. Such things as forced devaluation, tariff and other barriers, trade crises, policies of unemployment and depression, poverty in the midst of plenty, and wars, all have their roots in the frantic effort to keep people thinking and acting as if the unit of our money is a commodity, and a rubber one at that, which can be stretched or contracted in almost unlimited degree to suit the whims of the propagandists who are the only beneficiaries of the system.

We Social Crediters strenuously object to that concept of money. We contend that money, the chief mechanism for distributing goods and services, should be looked upon and treated as units of account. We believe further that until such a financial policy, that is a financial policy based on that concept, is built and applied faithfully in this country, as well as in other countries of the world, there can be little hope for solving the problems of world trade or of the economic ills that confront us today.

History reveals that the root of the success of parliamentary institutions in the past has been that parliament controlled the purse strings of the nation. Resistance to the divine right of kings in the day of that policy, or to any totalitarian policy of any day, has been successful only where the people have kept control of their own money, and where the executive never got control of the purse or of any attributes of that purse or nation. A mass of evidence is available to support the view that since 1914 governments, including the Canadian government, have been moving toward absolutism.

As I mentioned earlier in my remarks, the people of this country no longer control the purse strings, nor their own money. The executive have usurped that control. Some effective way will have to be found, and applied very soon, of stemming this trend or the Canadian people will one day wake up as vassals of a supreme state. Perhaps the most effective remedy would be the institution, in this house particularly, of a responsible vote, independent responsible vote, that would pin any loss resulting from the exercise of it on the voting members, and not on the nation or on political opponents of the government in power. If this can be achieved then, sir, the way can be cleared for a reasonably incorruptible money of account, which is simply a policy that would ensure that all currency and credit in circulation in our land would be fully covered by wealth and readily exchanged for it under a

reasonably stabilized pricing technique. We have that technique and we propose it and are prepared to advance it wherever it is possible and necessary.

Let me emphasize this point, sir. A practical solution of the crises with which we are now faced all over the world can be reached through the development in each and all countries of a science of consumption that is not based on taxation. A solution cannot be reached by restricting consumption, nor by living a life of austerity, nor by maintaining a heavy weight of taxation.

In conclusion, sir, just a word about this whole situation of business recession. Only a short statement was made in the budget speech relative to the government's program for meeting the business recessions or depressions which may face us in the years ahead. I noted that housing construction and the construction of the trans-Canada highway were mentioned, but only in a general and nebulous way. The minister admitted the possibility of economic trouble in Canada as a result of possible failure of foreign markets for Canada's production. Surpluses of many of our products are already visible. The past summer I visited one section, Yarrow, British Columbia, where I saw all of the 1947 crop of berries stored in 400-pound barrels in the basement of a jam factory. Think of it! All of the 1947 crop of berries; and all of the 1948 crop of berries were stored outside the railway right of way in 400-pound barrels. They were lying out there in the blazing sun to rot. It was estimated at that time that fully the equivalent of a million cases of pure strawberry and raspberry jam was lying there and could not be sold at any price.

In storage in Canada we have 48,000,000 pounds of butter, much of which is surplus to our need. The condensed and powdered milk situation, as has already been mentioned, is becoming serious. These and many other item that could be cited indicate the way the wind is blowing. Let it not be forgotten that any unsaleable surpluses on the shelves in the storehouses of the nation usually precede unemployment and depression, with poverty in the midst of plenty. We think that so far the government has been so busy playing politics that it has neglected to draft and bring forward any adequate program of action to cushion the Canadian economy against possible depressions. In the United States President Truman has taken leadership in this matter, and through a committee he has set up has assured the nation that the United States has something ready, in case of difficulty. I hold in my hand "U.S. News and World Report" of October 14, 1949, and at page 18 I find a reference to the Truman ten-year plan, described by the magazine as *The Fair Deal Goal*. Evidently it was issued under the direction of Leon Keyserling, vice-chairman of the council of economic advisers, and the No. 1 White House adviser on economic issues who, according to the magazine, has spelled out the fair deal goals for use by the President and the party in power.

The article goes on to say:

> If the goals are realized, everybody is going to be well fed, well housed, well clothed.

That is a worthy objective, and evidently it has been developed to a certain degree, and in some detail, through a proposed program of action to ensure that this goal is reached. For example I notice that their 1949 level of production in the United States is approximately $260 billion. Under the fair deal goal they propose to stimulate production so as to bring it up to the $350 billion level. Ninety billion dollars of increased production they propose to use in the following ways: $45 billion is to go toward raising the living standard of two-thirds of American families to a $4,000 minimum. This is physically possible, and if it is physically possible we contend it must be and can be made financially possible.

Then I notice that $12 billion of the excess $90 billion is to go toward health insurance, old age pensions, unemployment benefits and aid to the needy, to ensure that they may have a future without fear.

I see that $2 billion is to be used for the development of natural resources. In connection with this I notice that the Reconstruction Finance Corporation made a huge loan of $34,400,000 to the Kaiser-Frazer Company to make plans for a new low-priced automobile in that country. That is a substantial amount, and will go far toward stimulating the development required if production is to be increased to the extent of $90 billion.

Then, $2 billion is to go to the nation's school system by way of federal aid to education—the very subject we were discussing the other night as being vitally necessary to our country, if we are going to remove some of the inequalities suffered by children in various parts of the country.

Then, $6 billion is to go toward housing, part for slum clearance and part for city planning.

The last item of $23 billion is for the improvement of public roads and for plant improvement.

These figures indicate that they are not asleep down there; they have a plan. They have at least an objective that has been worked out in detail. I am a great believer in objectives, and in my view we should

plead with our government in the months between now and the next session of parliament to develop their program in detail. They should make a statement of the objectives by which they hope to stave off any ill effects of the economic difficulties of other lands, and to cushion the Canadian economy against the impact of such disturbances abroad.

In concluding I would say that the people of Canada would like to be able to face the years ahead with a feeling that their government has taken every possible precaution to protect their economy against the impacts of disturbances elsewhere, wherever they may be. They have every right to expect their government to bring forward the details of their program for ensuring to every Canadian the opportunity to obtain for himself and his family a reasonably high standard of living—just as high as our abundant resources can make possible.

I appeal to the government to prepare carefully and to bring before the next session of parliament a comprehensive program of sound and adequate proposals for reform, for social justice and for national development and security, so that our people can feel like driving ahead, in confidence that everything possible has been done to remove fear and worry, and the spectre of needless suffering.

On motion of Mr. Weir the debate was adjourned.

OVERSEAS TELECOMMUNICATION ACT

CORPORATION TO TAKE OVER PROPERTY AND EQUIPMENT OF MARCONI AND CABLE AND WIRELESS LIMITED

Hon. Lionel Chevrier (Minister of Transport) moved the second reading of Bill No. 12, to establish the Canadian Overseas Telecommunication Corporation.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, before the minister speaks, would he mind answering a question I am going to ask, and thus set at rest some fears in the minds of employees in Montreal. I understand that the Anglo-American Telegraph Company deals exclusively in overseas telecommunications. The company is owned and operated by the Western Union Telegraph Company of the United States. Under the agreement it serves exclusive cable connections to the Canadian National Telegraph Company. Would the minister say whether this company is involved in the bill, or not?

Mr. Chevrier: The answer to the hon. member's question is no.

The purposes of the bill are twofold, first to acquire the external telecommunication assets of Canadian Marconi Company Limited and Cable and Wireless Limited in Canada and, secondly, to establish a crown company in order to co-ordinate the maintenance and operation of these two commonwealth-controlled telecommunication systems.

Before going into the details of the bill, may I be permitted to say that the assets it is intended to expropriate under the bill are, with respect to the Canadian Marconi Company Limited, the following:

Their receiving station at Yamachiche; their transmitting station at Drummondville; the building and equipment at Montreal; and certain small holdings at Toronto and Vancouver.

Dealing next with Cable and Wireless Limited, the following:

Land, buildings and equipment at Bamfield; electrical equipment at Halifax, Montreal and Harbour Grace; certain furniture and stationery at Toronto and Vancouver.

Mr. Green: Nothing in Newfoundland?

Mr. Chevrier: Yes, at Harbour Grace. The total value of these assets should not exceed $4 million, as set out in the bill—the additional $500,000 referred to in the bill being required for working capital. No assets are to be acquired which relate to the manufacturing, radio broadcasting and ship-to-shore activities of Canadian Marconi Company Limited. And I should like to dispel immediately any impression that what is being taken over is a liability. As I have stated already, the telecommunications side of Canadian Marconi showed a substantial profit in 1948.

These assets are being taken over for two reasons: First, because it is important that we should have control over these services for strategic purposes, and, second, because for many years the telecommunication services controlled by Cable and Wireless and their policies were not acceptable to the commonwealth countries. For the reasons already stated, which it is unnecessary to repeat at this time, and because of meetings which finally culminated in the commonwealth telecommunications convention in London, it was decided to proceed on this basis, namely, that each commonwealth country would take over the telecommunication assets in its own territory.

Mr. Green: What is to be done with the cables as distinct from the cable stations?

Mr. Chevrier: This bill does not provide for the expropriation of cables, only for the expropriation of the assets I mentioned earlier in my statement. Why is it done in that way? I suppose it could be done by setting up a

division in one of the departments of government, but after giving that careful consideration it was thought that as these operations would compete with other operations it would be better to set up a crown company. Furthermore, we would like to continue these telecommunication facilities as they were operated heretofore. We feel that the best way to accomplish that is by means of a crown corporation.

Some mention was made that this is likely to create a monopoly. I have looked at the figures mentioned by the leader of the opposition (Mr. Drew) in so far as the control of Cable and Wireless is concerned. I believe the leader of the opposition was correct in stating that the move to nationalize commonwealth telecommunication facilities would result in control to the extent of some eighty per cent of the cable system by the British government. I should like to remind the house that the other twenty per cent is quite active. There is keen competition from the United States companies I mentioned before, the Anglo-American Cable Company and the Commercial Cable Company, both of which conduct telecommunication services to and from Canada. Because of that I do not believe that this bill will create a monopoly in any sense.

The bill may be divided into five parts. First, it establishes the crown company; second, it states the powers and purposes of the company; third, it provides it with staff; fourth, it defines its financial requirements and limitations; and, lastly, it stipulates the rules and regulations to govern its operation.

A portion of the bill provides for the appointment of five directors. One director will be the president and general manager and the governor in council will have the power to fix his salary as well as that of the vice-president. I should say at this point that these men will be appointed for a period of seven years. Of the other four directors, one is to be appointed for one year, one for two years and two for three years. These men will receive fees for attending directors' meetings only, and no salary.

It is stated in the bill that the corporation is to be an agent of the crown with restrictions on entering into certain agreements. For instance, the corporation may not without the approval of the governor in council enter into an agreement involving an expenditure of more than $50,000. It may not, without the approval of the governor in council, enter into for a period exceeding three years any agreement or lease that involves an expenditure in any year of more than $5,000. Finally, it may not without such approval acquire any real or personal property, the cost of acquisition of which exceeds the sum of $50,000, or in any manner dispose of any such property having an original or book value exceeding the sum of $5,000.

Under another portion of the bill the Minister of Finance (Mr. Abbott) is authorized to advance the corporation the amount of money mentioned earlier in my statement, $4,500,000, for the purpose of taking over these assets and to provide working capital. The Minister of Finance may also lend the corporation money for temporary purposes not exceeding $100,000. The crown corporation must pay interest on capital advances and deliver certificates of indebtedness for the amounts of money that are lent from time to time by the Minister of Finance. If funds in excess of the requirements exist they are to be paid into the treasury and if there is a deficit on the operations it will be voted in accordance with the usual practice by means of an item in the estimates. The bill provides for an audit and the usual annual report.

During the discussion on the resolution several hon. members, particularly the leader of the opposition, suggested that it would be well to send this bill to a committee. I have no feeling one way or another. If the house feels it would be preferable to send the bill to a committee, I am quite willing to concur in that suggestion. After the debate on the second reading has been concluded and if the motion is approved I would move that the bill be referred to the committee on railways, canals and telegraph lines, if that is the wish of the house.

Mr. Howard C. Green (Vancouver-Quadra): Mr. Speaker, in view of the fact that the bill is to be referred to a committee there is little need to discuss it in detail at this stage. The official opposition asked that the bill be referred to a committee and we are glad that the minister has agreed to do so. It is particularly important that that be done with this bill because there seems to be quite a long story behind it. While the minister has given us considerable by way of explanation, it probably would be difficult for him, or for anyone else for that matter, to go into all the details on the floor of the house. Furthermore, the subject appears to be quite complicated and technical and we believe that this is a case where the bill should be considered in detail by a committee.

We agree also that the proper committee to give the bill consideration is the committee on railways, canals and telegraph lines; the government already operates telegraph lines and we presume that anything having to do with such lines would be referred to that committee; this bill having to do with telecommunications would fit in well with the functions of that committee.

There are some matters arising out of this bill about which we are particularly concerned. I am going to run over a few of them hurriedly. The first is that apparently Canada signed an agreement with the other nations of the commonwealth about this matter some four years ago. We believe that agreement should be carefully reviewed. Having made a treaty, Canada certainly must see that its terms are carried out. The minister mentioned this afternoon that one reason why this course was being followed was for strategic considerations. That being so, it is all the more important that the house should carry out the agreement entered into some years ago.

The minister, however, was not very explicit about the board which is now to be set up with membership from each of the commonwealth countries. If I remember correctly the name of that board is the commonwealth telecommunications board, and each nation is to have one member. I believe the committee should examine the powers of that board very carefully. There was some mention made that it would regulate rates. The house will remember that the hon. member for Cariboo (Mr. Murray), when the resolution preceding the bill was under discussion, mentioned the high cable rates on the Pacific. That is one question which we believe should be thoroughly investigated by the committee because it would appear that the commonwealth telecommunications board has the power to set rates, and rates which are too high could be adjusted by it.

Very little has been said about the relationship of the new crown company and the commonwealth telecommunications board with the United States. Apparently the Right Hon. J. L. Ilsley made a statement about this matter on the 8th of November, 1945. In that statement he mentioned that United States-British commonwealh telecommunications conferences were being held. The Minister of Transport (Mr. Chevrier) did not mention such conferences either in the debate which took place the other day or in his remarks this afternoon.

Mr. Chevrier: Oh, yes. On the discussion concerning the resolution—I did not go into it in detail—I referred to the visit of Lord Reith, the chairman of the commonwealth telecommunications board to the various commonwealth countries, the conference that took place in Australia, and finally the telecommunications conference in London.

Mr. Green: The minister has not heard me correctly. I am referring now to a United States-British commonwealth telecommunications conference which took place in—

Mr. Chevrier: Bermuda?

Mr. Green: November, 1945. We have not yet been told what tie-up there is with United States telecommunications services. I believe that question also should be thoroughly investigated by the house committee. Little or nothing has been said about the method of operation. For example, the minister has just mentioned that the new corporation is not to take over any interest in the cables. We should know who is to maintain the cables. That is particularly important on the Pacific where there is such a long cable. I am not clear from the statements made whether it is to be maintained by Cable and Wireless Limited—

Mr. Chevrier: Yes.

Mr. Green: —whether the government will look after that maintenance, or just how the cable is to be kept in shape. In his remarks the minister also said very little about losses. He seems to think there will not be any losses, and I hope he is correct; but as I read the bill there is provision in it for Canada to pay whatever losses are suffered by the corporation. There is no limit set to the amount of money that can be advanced in case of a loss. The bill provides for a certain set amount for capital funds and a certain amount for operating expenses, but it does not set any limit on the amount that can be paid for losses. I believe that is another point which should be carefully considered by the committee.

The minister has given us some idea of the assets that are to be taken over, but he did not say anything about how the amounts are to be divided; how much is to go to each company. In the bill there is mention of a power to specify that certain properties shall not be required. In the committee I think we should be given details of all properties belonging to these corporations which are to be taken over.

So far as setting up a crown corporation is concerned, the official opposition do not believe in crown companies. We think that is one method of getting away from control by parliament. In the committee we shall expect the government to make it clear why it is felt that there must be a crown company in this instance. In the United Kingdom the post office has taken over overseas telecommunications. I understand that is the case, but the minister will correct me if I am wrong. We now have a department of the government in charge of dominion telegraphs, and we should like to be shown why this work could not be handled by the particular Canadian department which is in existence at the present time.

There is another feature about the bill which the minister did not mention, and that is that it covers all communication systems

between Newfoundland and the rest of Canada, in other words, between one part of Canada and another, but no power is taken between any of the other provinces. That is done only in the case of Newfoundland. There may be a very good reason for that, but it should be explained by the government.

Finally there is in the bill a provision which appears to be a very welcome one. It is that the corporation may pay municipal taxes. I do not believe there is such a provision in any other dominion act. I hope that this particular section means that from now on the government is going to pay taxes in all of the municipalities where there is crown property. The situation has become very unfair to many municipalities. All hon. members of the house must clearly recognize that fact. The section in question does not say that the corporation must pay taxes but that it may pay taxes. I hope we will get definite assurance that the intention is to pay those taxes.

These are just some of the questions in connection with the bill about which we would like further clarification when the bill goes to committee. We heartily approve of the proposal of the minister to send it to the standing committee on railways, canals and telegraph lines.

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at eight o'clock.

CRIMINAL CODE

PORTRAYAL OF CRIMES BY PICTURES IN MAGAZINES, ETC., TENDING TO INDUCE VIOLENCE

The house resumed, from Friday, October 7, consideration of the motion of Mr. Fulton for the second reading of Bill No. 10, to amend the Criminal Code (portrayal of crimes).

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, may I preface my statement tonight with congratulations to the mover of this amendment and to all those who have taken part in a high-class debate, including the hon. members for Saskatoon (Mr. Knight) and Vancouver East (Mr. MacInnis), who have supported this amendment with misgivings of the most honourable and intelligent kind. The action of those members, and of the house itself so far, has been an example of sensitivity to public opinion and concern for the common weal which our democratic system displays when it is functioning properly.

This is not the first time this matter has come up. The hon. member who introduced it referred in the debate to the action which he took in connection with this matter during the time of my distinguished predecessor, the Right Hon. J. L. Ilsley. I suppose it can be said that we have not been hasty in acting in this matter, either as a government or as a parliament. There may be those indeed who would say we were dilatory. But I am sure, sir, that all the members of this house, regardless of party, would deliberate most anxiously before taking any action against freedom of expression by writers or artists. But when publishers and disseminators of various kinds of crime comics and obscene literature are heartened and emboldened by this concern of ours for the preservation of literary and artistic freedom, and become steadily more impudent in their degradation of that freedom so that they transform freedom into licence, the time comes, and I think we all agree that it has come, when we must take further action to curtail their offences.

I therefore rise tonight, not only to support the amendment which has been offered by the hon. member for Kamloops (Mr. Fulton) but also to suggest that, to be effective, we must go further than this amendment does. With great deference, I do not think that the mere passage of this amendment will, of itself, cure the situation. I should like to offer some suggestions as to how, in my opinion, the code may be strengthened so that this amendment and section 207, of which after it is passed, it will become a part, will become more enforceable. The suggestion which I will make will have certain inherent and unavoidable defects to which some members will no doubt object on grounds which I will admit in advance are very good grounds. In my view, we are faced in this matter with a rather unpleasant dilemma. Either we shall follow the course which I shall suggest, with all its faults, or we may avoid those faults by letting matters stand in the present unsatisfactory condition.

The amendment we are discussing now, sir, deals only with crime comics, but I think it may be said that the debate has made it quite clear, as it has developed, that at least equally offensive and at least equally injurious to the morals of our youth is the rising tide of pornography which has flooded the bookstands of this country for some time past. The few samples of this which have come to my attention, thanks to the courtesy of the hon. member for Macleod (Mr. Hansell) and which he tells me are fair samples, have

no redeeming features of any kind; no distinction of conception or style; no humour; no sentiment; certainly no idealism; not even any genuine realism; nothing but hack-work filth seeking filthy lucre.

While no judge of such matters I should have thought, sir, that the influence of these obscene books and magazines would probably be worse than the crime comics. Yet these obscene books and magazines are now covered by section 207 of the Criminal Code and have been covered by that section for over half a century. This provision was first enacted, in, it is true, a slightly different form, in 1892. It was elaborated upon somewhat in 1900; re-enacted in the revised statutes of 1906, and enacted in its present form in 1909. During the whole of this interval prior to 1909, and since 1909 continuously until now, obscene literature has been covered by this section. Yet, sir, judging by the mass of evidence which the members of this house have brought forward in this debate alone, section 207 does not now seem to have been any great deterrent to the production or sale of this obscene literature.

Obscene books and magazines are covered by section 207. Crime comics are not covered —indeed, the purpose of this amendment is to have them covered by that section. Yet the obscene books seem to flourish at least as much as the crime comics. It is significant, I think, that in reply to an inquiry recently made by our department, Nova Scotia could not recall any prosecutions within the last ten years; Prince Edward Island, no prosecutions since 1942; New Brunswick, no information available of any such prosecution within the last five years; Ontario, a few prosecutions which usually failed because of the word "knowingly" or because the jury ruled against the obscenity element. Manitoba had no general statistics, but there were eight prosecutions in Winnipeg since the beginning of 1946 and none at all from 1944 to 1946 inclusive. In Alberta, there were about ten prosecutions in the last five years, while British Columbia recalled only one conviction within five years in respect of moving pictures. Prosecution considered in other cases was dropped because of this word "knowingly" and also a feeling that the persons who should be prosecuted were the publishers in eastern Canada. Of all the provinces of which we made inquiry and which I have named, Quebec, with one hundred prosecutions in the last five years, is the only one in which there has been prosecution on that scale which would seem to be warranted by the observations which have been made in this debate by the members who took part in it.

Now, sir, this amendment moved by the hon. member for Kamloops, when passed, will merely bring crime comics as paragraph (d) under the same section 207 of the code of which paragraph (a) now makes the publication and sale of obscene literature an offence. This is all that Bill No. 10 does; and if the experience in regard to obscene literature is any criterion, it is certainly not enough.

I admit I am not a criminal lawyer nor an expert in these matters, but it must be obvious even to lay members of this assembly that the great likelihood is that the crux of this matter is in certain words in the beginning of section 207, which reads as follows:

Everyone is guilty of an indictable offence and liable to two years' imprisonment who—

And these are the words.

—knowingly, without lawful justification or excuse . . .

publishes or sells obscene literature or, as we now seek to have it amended, crime comics and so on. In my judgment it is these words, "knowingly, without lawful justification or excuse," which would appear to make conviction so difficult and prosecution so apparently hopeless that but few prosecutions have been started.

Yet the reason for including these words in the description of the offence is, I submit, a good one.

On the face of it, it seems most unfair, in any country that has the conception of civil liberty that we in Canada have, that a bookseller, who in the ordinary course of his business sells thousands of books that he can never hope to read or to censor himself, should be convicted of an indictable offence and be liable to two years' imprisonment—for what, sir? For selling merchandise like chairs or boxes of soda biscuits that are all alike? No, for selling a book which is unlike the thousands of other books which he sells and which, without any necessary knowledge or fault on his part may, for all he knows, be obscene. It is therefore unjust and unfair to the honest bookseller that these words "knowingly, without lawful justification or excuse" should be absent from the definition of the offence. Yet when to protect the honest bookseller—and the law should protect honest people—these words are inserted in the definition of the offence, it apparently becomes next to impossible to convict a dishonest bookseller; for, if he is prosecuted, all he has to do is to maintain a naive and wide-eyed innocence of any knowledge of the contents of the books that he has sold in the ordinary course of business, in order to establish a good defence to the prosecution.

It may then be asked: Why not prosecute the publisher? Surely he must read what he publishes.

There are two points to be noted with regard to this suggestion, the first of which is this. I am credibly informed that a good deal of the publishing of this kind of literature in Canada consists in printing it in Canada from plates made in the United States; and it is conceivable—although in my opinion not at all likely—that the Canadian publisher may run off this print job of a particular book—for example, the one upon which the prosecution against him may be based—as a routine business without informing himself of its text. Under those circumstances he could come into court, and if he could persuade the magistrate that he did not know it was an offence, then he would escape conviction.

Mr. Diefenbaker: That he did not know it was an offence?

Mr. Garson: I beg hon. members pardon. If he could persuade the magistrate that he did not know that the book he was publishing was obscene he would escape conviction.

In the case of crime comics the publisher would have difficulty in escaping knowledge. Thus, while the publisher could plead a lack of knowledge in the same way as the bookseller, this defence upon the part of the publisher, I think we must all agree, would seem to be much more difficult to maintain and to establish than upon the part of the bookseller.

The second point in connection with this suggestion—why not prosecute the publisher?—is, I think, a somewhat more difficult one. While this parliament, as a federal parliament enacts the criminal law, the enforcement of that law is exclusively a provincial right and provincial duty. Therefore, if he is prosecuted, the publisher can move his operations—and if they simply consist of printing from plates that are brought in from the United States it would not be a matter of great difficulty to move them—into and seek sanctuary in a province where the police and the law enforcement officers are less diligent in the enforcement of section 207.

At this point, in justice to the government of which I am a member, to my distinguished predecessors in this high office, to the officers of the Department of Justice and, I think, to truth itself, I feel that I must indulge in some plain speaking. The constitutional responsibilities of the federal parliament, and the federal government on the one hand and of the provincial legislatures or the provincial governments on the other, are in this matter as plain as a pikestaff. To the federal government is assigned, as class 27 of section 91 of the British North America Act, the power to make laws with regard to:

> The criminal law, except the constitution of courts of criminal jurisdiction, but including the procedure in criminal matters.

To the provincial governments and the provincial legislatures is assigned as class 14 of section 92 of the British North America Act:

> The administration of justice in the province, including the constitution, maintenance, and organization of provincial courts, both of civil and of criminal jurisdiction, and including procedure in civil matters in those courts.

I know that we lawyers are twitted, even in this parliament, for raising this matter of constitutional law when other matters such as the one we are discussing are brought up for discussion. I know that the courts have difficulty in determining whether certain subject matters fall under federal or provincial jurisdiction. But so far as I know there has never been any doubt or controversy over the division between federal and provincial jurisdiction in this field of criminal law. The enforcement of criminal law, as distinguished from its enactment, is neither a federal responsibility nor a federal right. There is no federal invasion of provincial rights which would be more quickly and more justly resented than that which would take place if the federal Minister of Justice were to go into a province over the head of its attorney general who, under our constitution, is its chief law enforcement officer, in order to enforce law and administer justice there, not in the name of the provincial attorney general but in the name of the federal Minister of Justice. I cannot recall a single case in Canadian history where the federal minister of justice has ever done such a thing. Quite obviously it would be the gravest sort of reflection upon both the integrity and the competence of the provincial attorney general were the Minister of Justice to do so.

Now, sir, there has been what, from my point of view, I must regard as a rather regrettable tendency on one or two occasions in this debate to imply at least shall I say, and in some cases to state explicitly, that it is the federal Department of Justice which is responsible for and has been remiss in the enforcement of section 207. The hon. member for Macleod (Mr. Hansell) made an excellent presentation of his viewpoint in this debate, and to him I am particularly indebted for the loan of his file of samples, without which our staff would have had much greater difficulty in dealing with this matter. It pains me to have to make the remarks that I am about to make, but in fairness to ourselves I think they must be made. I am sure that it was unintentional that the hon. member, during the course of a speech which

was in every other respect an admirable one, made this remark. He said, as reported at page 518 of *Hansard*:

> Might I emphasize once again that, apart from crime comics, if the Minister of Justice, who has the administration of the R.C.M.P. under his department, or if the various cities with their own police forces would take that section of the criminal code and enforce it, sending a few of these publishers to jail for a couple of years. I have no doubt but what it would make a difference in the type of publications in this country.

I must confess, Mr. Speaker, that with a part of that statement I am in agreement. Very probably the result which my hon. friend envisages here would come about. I have not the slightest doubt that sending a few of these gentlemen to jail would have an effect upon that type of publication in the country. But the point I wish to emphasize is that this action is not within our federal power and it is not our federal responsibility.

Even the reference to the Royal Canadian Mounted Police is misleading. It is quite true that they are administered under the Department of Justice, but in that capacity the only offences that they prosecute under my authority as Minister of Justice are offences like those under the Foreign Exchange Control Act, the Excise Act and similar federal statutes.

The governments of Alberta, Manitoba, Saskatchewan and several other provinces, under an arrangement that is in the highest degree in the interest of the taxpayers of this country, pay to this government a large sum of money for the use of the Royal Canadian Mounted Police in these various provinces. Having only one police force to administer both federal and provincial law is much more economical; but what is more important is that it commands a much greater respect for law enforcement and for the administration of justice. But, sir, if under the guise of this police contract, we were, by the control which we exercise through the Justice department over the Royal Canadian Mounted Police, to try to siphon away provincial rights by attempting to direct the mounted police in respect of those matters upon which they are supposed to take directions from the attorneys general of the provinces, it would not be long before the provinces would refuse to renew these police contracts. The plain fact of the matter is that the agreement which covers the renting of these police services to the provinces specifies that, when the Royal Canadian Mounted Police are engaged in the enforcement of all of these laws which come under provincial enforcement, they are the instrument not of the Minister of Justice but of the provincial attorney general and subject wholly to the latter's control. For that reason, the exhortations and the strictures of the hon. member for Macleod should be addressed not to me but to his good friend, the attorney general of Alberta. When I say that I want to make myself perfectly clear that I am implying no criticism of the attorney general of Alberta, who is an equally good friend of mine.

It may very well be that in that province, under conditions with which I am not familiar, the words "knowingly, without lawful justification or excuse" in section 207 would make it hard to secure a conviction against the booksellers in Alberta. One of the things that the prosecution has to take into account in this connection is that in offences of this nature against morals nothing is worse from every standpoint than an abortive prosecution. To the offender and to the offending publication the advertising value of an unsuccessful prosecution is simply beyond price. I believe it is said that Mae West claimed she got her start in life from having been so prosecuted. Therefore, sir, if there are no such publishers in Alberta—and my information is that there are none—it is not difficult to understand that the crown prosecutors in that province, like the crown prosecutors in those other provinces whose statistics I mentioned a few moments ago, will not be over-enthusiastic about taking on the difficult task of prosecuting Alberta retailers of books, when the crown prosecutors of other provinces have not done anything in the apparently easier task of prosecuting publishers within their jurisdiction.

The debate upon this amendment has shown that upon the one hand there is a huge volume of pornographic literature exposed for sale upon the newsstands of this country and, upon the other, that in relation to this huge volume of exposure and sale there have been in all of the provinces except one a relatively small number of prosecutions. It seems to me, as I have indicated before, that the apparent reason for this inconsistency is most likely to be found in these words "knowingly, without lawful justification or excuse."

Mr. Diefenbaker: Will the minister allow one question? What would be a lawful justification or excuse?

Mr. Garson: If my hon. friend will wait just a moment I shall come to that.

Mr. Graydon: The minister will be lucky if he does.

Mr. Garson: I shall get there if I am not interrupted. I should like to deal first of all with the question of knowingly. As I said, my reason for the view that these words are the crux of the matter is some of the case

law of this country. One of the leading cases is the case of the King *v.* Britnell, where it was held that the owner of a bookstore containing thousands of books could not be convicted of knowingly exposing for sale any obscene books under section 207 of the Criminal Code, and that in order to warrant a conviction under that section for selling and exposing for sale an obscene book it must be proved that the accused was aware of its obscene character and that it was sold or exposed for sale with his knowledge.

Mr. Fulton: Was that the Ontario case of 1925?

Mr. Garson: Yes, the Ontario court of appeal.

To come to the question asked by the hon. member for Lake Centre (Mr. Diefenbaker). He said, does it mean without—

Mr. Diefenbaker: What is lawful justification?

Mr. Garson: I think I have a case here exactly on that point. It is Rex *v.* Woolland, decided in the province of Manitoba by county court Judge Armstrong. The headnote reads:

> On a charge of keeping without lawful excuse goods unlawfully imported into Canada contrary to section 217 (2) of the Customs Act it may not be necessary for the prosecution to prove knowledge on the part of the accused.

That is, the word "knowingly" was not in that section. Therefore it was not necessary for the crown to prove that it was done knowingly. But proof offered by the defence of no knowledge, and the absence of any suspicious circumstances to place one on inquiry takes him out of the class of "one without lawful excuse," the onus on the accused being merely to show lawful excuse and not lawful importation or payment of duty.

And in this connection—and this, I think, will answer my hon. friend's question—the county court judge said:

> I cannot conceive of any more lawful excuse than the absence of any criminal intent and the carrying on of a legitimate business in the ordinary way.

It would seem that the removal of these words "knowingly, without lawful justification or excuse" would result in an absolute prohibition so that the bookseller could not plead as an excuse ignorance of the contents of the books upon his shelves. This undoubtedly would place a very heavy burden upon him. It would mean that he would have to satisfy himself as to the contents of all the books upon his shelves, or depend upon some system of censorship by his distributor or publisher, or take a chance. And the question this house has to decide—and this is where the unpleasant dilemma comes in—is whether or not the abuse of the sale of these books has grown to the point where it is most unfair to the children and to their parents, and to the taxpayers of this country who have to put up the money to take care of the crime which is caused by the sale of these books.

It may well be that upon a balance between these two groups, the booksellers and publisher on the one hand, and the children and their parents, and the taxpayers, on the other, there is less injustice in being unfair to the honest man who unwittingly publishes or distributes or sells obscene books and crime comics than in being unfair to the children, parents and taxpayers.

Mr. Smith (Calgary West): What about the distributor of a newspaper libel? He takes all those chances, does he not?

Mr. Garson: Yes, but knowledge has to be brought home to him.

Mr. Smith (Calgary West): Every newsstand in a hotel.

Mr. Garson: Yes, that is right. But heretofore in the carrying out of the ideas we have had as to freedom of literary expression, freedom of artistic expression and freedom of the press, we have not seen fit to have this definition in any form other than the form in which it now appears.

My reason for labouring that point is that I do not think it is going to be much of a solution, at all, to pass Bill No. 10. We have only to look at statistics to see that that is so. If we are really going to grapple with this and produce an enforceable section, we have to face up to the hard decision I have been trying to outline.

If we do this, there is another difficulty we must face as time goes on—one which we have not yet faced. That is the problem which arises under an enforceable prohibition of obscene literature in drawing a line between what is obscene and what is not—because there is a great variety of opinion on that score. One will find a crank who will regard as obscene some books which by others are regarded as the greatest gems of literature. The reason, borne out by statistics, why we have not encountered this problem to any great extent so far is that section 207 has not been sufficiently enforceable. But to the extent that we make this section enforceable, we shall, as time goes on, meet this other problem. And in that regard I do not think we could do better than to leave the section as it is, that is leave the obscenity content of the offending publication to be judged as a matter of fact by the court, upon the basis of the evidence presented to it.

From this debate I suggest seven points have emerged:

1. The amendment moved by the hon. member for Kamloops (Mr. Fulton), would merely bring crime comics as paragraph (d) under the same section 207 of the code, of which paragraph (a) makes the publication and sale of obscene literature an offence.

2. The prohibition of the publication and sale of obscene literature by section 207(a) of the Criminal Code has not deterred the publication and sale of obscene literature to any significant extent. In all provinces except Quebec there have been a very small number of prosecutions under this paragraph.

3. Therefore, without more determined prosecution the mere adding of crime comics to this section 207 is certainly not likely to be a solution to the problem.

4. In drafting an enforceable amendment, the most valuable suggestions which we could secure would be those from the crown prosecutors and law enforcement officers of the provincial governments whose responsibility it is to enforce the Criminal Code.

5. The federal Department of Justice has received no representations upon this subject from any of the attorney general's departments of the provinces, with the exception of Ontario and British Columbia. Both of these departments say that the presence of the word "knowingly" in the definition of the offence under section 207 makes difficult the prosecution of shopkeepers charged with selling these books.

6. On the other hand, the presence of these words in the definition of the offence does not seem to have deterred the law enforcement officers of Quebec from instituting some hundred prosecutions in that province during the past five years.

Mr. Low: How many prosecutions were successful?

Mr. Garson: We made inquiry on that point but there were no statistics to be had, in a compendious form, and it would take some time to secure them. We would have to go to the localities where the prosecutions were instituted. I would deduce, however, that Quebec must have been successful, because I cannot imagine an attorney general's department going to the expense of having a hundred prosecutions if it were not getting some convictions.

Then, the seventh point is that the elimination from the definition of the offence of the words "knowingly, without lawful justification or excuse" would result in an absolute prohibition of the sale of obscene literature, so that the retail sellers—and that refers to the bookstand, the cigar store, the book shop, the magazine stand and the like—could not plead, as an excuse, ignorance of the content of the books upon their shelves. I think we must all admit that we would be putting a great hardship upon them.

Therefore the suggestion I would venture to make is that it would seem that these words should not be eliminated until the publishers as the source of this objectionable reading matter shall have been prosecuted, and it shall have been demonstrated in such prosecution that it is impossible to convict the publishers under the law as it now stands, as amended by adding crime comics as material banned by section 207.

In other words the only step which it seems will put some effective teeth in the law, this matter of removing these words, is going to be quite a hardship upon many hundreds if not thousands of honest small dealers throughout the country. Before that step is taken surely some attempt should be made to prosecute the publishers who are for the most part concentrated in two or three cities, with one city having more than all the rest of the country put together.

The second condition to the elimination of these words is that the law officers of the provinces, who are the ones who know, the ones who have the responsibility for prosecution, assure us that section 207 cannot be enforced effectively without the elimination of those words. They have already told us so in Ontario and British Columbia. Thirdly, the provincial law officers should tell us that section 207 can be enforced effectively if these words "knowingly, without lawful justification or excuse" are eliminated. I think the answer to that is likely to be, "yes."

For these reasons I should like to urge upon hon. members that we approve of the principle of this bill on second reading. Then when it gets to committee we should leave it there until we have secured from the attorneys general of the provinces, who have the responsibility of enforcing this section, the invaluable suggestions of their prosecutors as to the form that this amendment should take in order to prohibit crime comics and also make the whole of section 207 more enforceable than it has been.

In addition I should like to get the views of our committee on the revision and consolidation of the Criminal Code. We have already had a subcommittee of that body working on this section but I should like to have the views of the whole committee.

In making this suggestion I want to make it clear that there is no thought that we should delay action in this matter until another session. Nor are we, in seeking advice from those who have the responsibility of enforcement, in any sense abdicating our

responsibility for passing criminal legislation. Whatever amendment we adopt is of little use if it is not enforceable. Our duty here is to turn out an enforceable law. It is to this end that I urge that we secure the best advice that we can from those extremely important sources, the men whose prosecution and enforcement of this section is an indispensable ingredient in its effectiveness.

I suggest that we hold this bill in committee in order to get the benefit of as many of these opinions as we possibly can, with the understanding, of course, that in any event we shall pass it in as effective a form as possible before prorogation.

Mr. Fulton: When the minister refers to "prorogation" does he mean the prorogation at the end of this session?

Mr. Garson: Yes.

Mr. Smith (Calgary West): The minister made a distinction in connection with the elimination of these words. Any person who published or distributed such material would be liable just the same as the publisher.

Mr. Stewart (Yorkton): He has protection.

Mr. Smith (Calgary West): He has no protection except under the different provincial statutes which provide for apologies and a lot of nonsense of that kind. He is liable to be prosecuted under the Criminal Code. No one has been hurt very much by that. I am not advocating one thing or another, but is it not a fact that if these words were eliminated it would put these scurrilous magazines—if I may call them that—in exactly the same position as a newspaper which publishes a criminal libel?

Mr. Murray (Cariboo): I should like to say a word at this time—

Mr. Smith (Calgary West): I merely asked a question.

An hon. Member: We are not in committee.

Mr. Smith (Calgary West): As a matter of courtesy I expected an answer; as a matter of rule I am not entitled to it.

Mr. Garson: With the permission of the house I would be delighted to attempt to answer my hon. friend. The analogy my hon. friend has drawn between his point and my own is hardly a true one. The point I was trying to make was that, where in section 207 of the Criminal Code you have the words, "knowingly, without lawful justification or excuse" as part of the definition of the offence, it is likely to be easier to make out a case and thus secure a conviction against a publisher who has to set up the obscene material in type and run it through the press than it would to obtain a conviction against a bookseller who may have that particular book among thousands of others on his shelves without necessarily having any exact knowledge of its contents. I was not discussing the question of liability, because the publishers and booksellers are equally liable under section 207 of the Criminal Code. But there would be much greater difficulty in bringing home knowledge to the bookseller than there would be bringing it home to the book publisher. The point of the hon. member for Calgary West was in connection with criminal libel. This point is somewhat different from the one I was discussing, although knowledge has to be brought home to the seller of printed libellous matter in order to secure a conviction against him.

Mr. Stewart (Yorkton): The minister has dealt with the word "knowingly" and the difficulty of prosecuting. Is it not a fact that any two people who might happen to read one of these publications could go to the publisher and say it is obscene and then if he distributed it after that he would be distributing it knowingly?

Mr. Garson: Certainly.

Mr. Stewart (Yorkton): It would be a simple matter for any representative of an association to go along with a witness and prove that it was done knowingly.

Mr. G. M. Murray (Cariboo): Mr. Speaker, I hesitate to say anything at this time as lawyers in the house have had their full say on this matter, but as a humble publisher I thought probably I should interject a word or two. This country is deluged with filth from the publishers of the United States and no effort is made to stop this material coming past the border. We have the right to impose a tariff upon the plates and illustrations and literature generally imported into this country. Unless we do that I think we can expect to continue to pay great profits to the publishers in New York, Chicago and elsewhere.

If one looks at a Canadian paper one will see that at least half of the news content is made up by material from news services originating in New York, Chicago or elsewhere. We have capable journalists in Canada who would be only too glad to write those articles, but apparently it is more desirable to import this material and along with it the so-called pornographic material which has been discussed here tonight.

As a publisher may I say that I do not think we alone are competent to judge what is good or what is bad. That is something for public opinion. We get just what we ask for. You can take the Bible and hold it up as an example of a publication which contains

within it articles and items which might be mentioned here tonight. I think we should encourage our Canadian press, our Canadian writers and our Canadian artists to build a healthy Canadianism. We are cutting ourselves off from the privy council by passing the Supreme Court Act. We could do much more for Canada by establishing a Canadian literature. We must encourage Canadian talent to take such a part in the publication of our papers that it will not be necessary to depend upon writers and artists and syndicates from other lands.

Mr. Adamson: Before you put the question, Mr. Speaker, may I ask the minister what his motion is? I am all in favour of the question being put, but I want to know what it is.

Mr. Garson: I merely suggested that we leave the bill in its present form. I did not move an amendment to it. My suggestion was that we give second reading to Bill No. 10 and then leave it in committee of the whole so that we can follow along from there.

Mr. Fulton: Mr. Speaker,—

Mr. Speaker: I must inform the house that if the hon. member speaks now he will close the debate.

Mr. E. D. Fulton (Kamloops): Since it is very close to nine o'clock I hope the house will pardon me if I do not express as fully as I should like to my appreciation of the support which the bill has received and the generosity and courtesy which all members have shown to the idea in their discussion of the proposal. I should like to spend more time in expressing that appreciation, but I am sure hon. members will understand the reason if I cut my remarks short.

For myself I should like to say that the proposal made by the Minister of Justice (Mr. Garson) is one which I appreciate, and which I think should be accepted without reservation. I understood him to say that for his part he is willing to have the bill given second reading, which means approval of the principle behind the proposal, and then while it is committed to committee of the whole to obtain the opinions of the provincial law enforcement officers, with the assurance, as I understand it, that the bill will be reported out of committee, and some legislation will be enacted before the end of the present session. If I am correct in my understanding, that proposal is perfectly acceptable to me.

As for the points put forward by the minister, I feel it would be more appropriate to deal with them in committee in the discussion which the committee stage is designed to afford. I wish to conclude at this time merely by thanking the minister for the consideration which he has given the matter, and for the proposal which he has made. I should like also to express on my own behalf, and I am sure on behalf of all members of the house who are interested in this matter, our appreciation to the various organizations throughout the country which have done so great a service in arousing the people of the nation to an awareness of the problem. Some of them have been mentioned before, and I have a partial list here. I should like to refer to the federated women's institutes of Canada, the federation of home and school associations, the Ontario teachers federation, parent-teacher federations across the country, and one of the latest organizations to express its view, the national council of the Imperial Order of the Daughters of the Empire. To those organizations, as well as to those which I have not had time to mention, I wish to express on my own behalf, and I am sure on behalf of all hon. members, our appreciation of the work they have done.

Motion agreed to, bill read the second time, and the house went into committee thereon, Mr. Dion in the chair.

On section 1—*Portrayal of crimes by pictures in magazines, etc., tending to induce violence.*

Mr. Abbott: Stand.

Mr. Fulton: I take it to be the minister's desire that it should stand at this stage?

Mr. Garson: Yes.

Mr. Fulton: If so, I will ask you, Mr. Chairman, to report progress and ask leave to sit again.

Section stands.

Progress reported.

Mr. Speaker: It being nine o'clock, and the hour reserved for private and public bills having expired, the house will resume the business which was interrupted at six o'clock.

SUPPLY

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

DEPARTMENT OF VETERANS AFFAIRS

Soldier Settlement and Veterans Land Act—

545. To provide for the cost of administration of Veterans Land Act; soldier settlement and British family settlement, $4,447,443.

Hon. Milton F. Gregg (Minister of Veterans Affairs): Mr. Chairman, two weeks ago tonight, when we started my estimates, hon. members gave expression to thoughts covering a wide field on the first item. Perhaps I might take advantage in like manner of item

545 to attempt, in so far as I can, to reply to some of the questions that were asked then, and to which I requested an opportunity to give further study. I do not want to be accused of holding up my own estimates, but I should like to answer those questions in recognition of the co-operative manner in which members from all sides of the house assisted in getting a large number of items through two weeks ago.

The hon. member for Wentworth raised the question of paying transportation of veterans who are admitted under class 5 (a) of our treatment regulations. I understood him to say that if a veteran were admitted to an outside hospital in an emergency, and later transferred to one of our own hospitals, he was required to pay his own transportation. I should like to correct this impression. If, because of requiring emergent treatment, he is admitted to an outside hospital and we accept him for treatment under class 5 (a), we not only pay his bill at the outside hospital, but we also provide transportation if we find it necessary to bring him to one of our own institutions. Whilst the regulations in the past may not have been very clear in this regard, recently instructions have been issued clarifying the whole situation.

The hon. member for Vancouver-Quadra and many other members discussed the training of merchant seamen. The hon. member for Vancouver-Quadra is reported in *Hansard* as having said that only 47 out of 518 applicants had been accepted for vocational training. As of September 30, 1949, the actual facts are that out of 770 applications received 118 were rejected because of being over the age provided, 100 were withdrawn, 317 were approved, and of the remaining 235, 195 were declined on the ground that they were not eligible through not having left the sea, the remaining 40 being in process for one reason and another.

One other perhaps minor matter was that the hon. member for Vancouver East stated to the house that he had been informed that investigations under the War Veterans Allowance Act were performed by the Royal Canadian Mounted Police. I find that this is only in extremely isolated areas where it would be impracticable and unwarrantable to undergo the expense of sending in a departmental official, such as the Northwest Territories, the Yukon and similar regions. I might add, I am sure hon. members would agree with me that if we happened to be in such territory we could think of no more acceptable bearer of veterans' benefits than a member of the Royal Canadian Mounted Police.

In reply to the question asked by the hon. member for Acadia (Mr. Quelch) with regard to the number of applications for payment under the war veterans allowance assistance fund, I will give the following information. Total applications received to October 7, 1949, 3,155; the total applications declined, 740. The total number of applications approved to date amounts to 2,415. The financial commitment on the part of the department for those approved applications is $160,747. It will be noted that covers approximately a six-months period and, I should add, the best six months of the year. The six worst months in this connection are still to come.

The hon. member for Melfort (Mr. Wright) raised a question of beneficiaries under the Veterans Insurance Act. As I explained the other day, it was the intention of this act to provide protection for a veteran and his immediate relatives. I now state, however, that the department has currently under consideration a request to amend the regulations which would extend the list of contingent beneficiaries to include uncles, aunts and related family.

In the discussion of liquid assets of war veterans allowance recipients, the hon. member for Nanaimo (Mr. Pearkes) made reference to a specific problem. The problem was that if a veteran in receipt of war veterans allowance owns a house and sells that house, his liquid assets are increased and may be in excess of that set by the regulations of the war veterans allowance board. Of course, that is the case.

The hon. member requested that the veteran be allowed to retain the proceeds from the sale of his house, without jeopardizing his war veterans allowance, for a certain period provided he intends to reinvest in another house. I believe that interprets the hon. member's suggestion. On investigation, I find that that is the principle followed by the board in dealing with such cases. No account is taken by the board of such liquid assets for a period of one or two years, according to the circumstances. In other words, the veteran is permitted to retain the proceeds from the sale of his house for a certain period, for the purpose of buying another house, without being penalized as far as his war veterans allowance is concerned.

The hon. member for Kootenay West (Mr. Herridge) made some suggestions with regard to settlement of veterans on provincial lands, particularly as that problem is related to British Columbia. I am glad to inform the hon. member that working arrangements between the provincial authorities and the Veterans Land Act have been developed to a marked degree. I would suggest that the member contact the director of the Veterans Land Act, who will be only too glad to go into this whole problem with him and explain

some of the projects in which his branch and the provincial authorities are jointly concerned.

Hon. members will recall that some questions were raised in connection with the recovery rate of $9.75 per day charged by this department for treatment at our hospitals. It is obvious that considerable misunderstanding exists in connection with that, and I should like to place the facts on record in order that this matter may be better understood by all concerned.

In the first place, I wish to emphasize once again that $9.75 is an all-inclusive charge for hospitalization, including drugs, medicines, and medical attention by the leading physicians and surgeons of this country who are associated with the treatment services of this department. This rate is based upon the actual costs of operating the department's active treatment hospitals, and if anyone has any idea that this is an excessive charge, I should like to give him the actual figures for the cost of a normal appendectomy performed in an urban hospital with which I have recently communicated in order to obtain a comparison.

The hospital concerned quoted the cost as follows: Ten days' hospitalization at $6 per day, $60; drugs, extras, etc., $28; services of an anaesthetist, $15; surgeon's fee, $100; The total cost is $203. As opposed to this, the cost in a D.V.A. hospital would be ten days at $9.75 per day or a total of $97.50.

It was stated in this house during the previous discussion on my estimates that veterans had decided to obtain treatment at a civilian hospital rather than pay $9.75 per day in a D.V.A. institution. This is quite incorrect, as any veteran with entitlement receives treatment from this department entirely free. If the veteran has no entitlement then the department has no authority to treat that veteran in the hospital. The exception to the latter is that a veteran can be treated in a D.V.A. hospital in case of an emergency, such as an acute illness or accident which occurs near the D.V.A. hospital. In such cases, the veteran is theoretically supposed to pay $9.75 per day, but departmental regulations provide that the cost of treatment of these classes of patients shall be recouped by the department "wherever possible".

This department does give treatment to a considerable number of individuals at the request of provincial workmen's compensation boards, the Canadian Paraplegic Association, foreign governments and other federal government departments, upon repayment of the current recovery rate of $9.75 by those organizations, not the individual veteran. In addition, our treatment facilities are available to the Department of National Defence and the Royal Canadian Mounted Police for treatment of their forces at the recovery rate of payment.

A question has been asked by the hon. member for Calgary East (Mr. Harkness) as to the revenue received for the treatment of patients. In answer, I will give the amounts received for the first six months of the current fiscal year, ending September 30, 1949. The total collected was $386,015.62, of which $367,347.21 was collected from organizations such as provincial workmen's compensation boards, the Canadian Paraplegic Association, and so forth, but does not include the amount yet to be recovered from the Department of National Defence and the Royal Canadian Mounted Police. The difference between these two figures, namely $18,668.41, represents the total amount collected by the department for the first six months of this year for hospitalization of individual veterans. However, I am given to understand that most of this money is paid by insurance companies and the various prepaid medical schemes, inasmuch as a large number of the veterans concerned appear to be covered by protective medical insurance policies. I am quite sure, therefore, that all hon. members will realize that in actual practice hospitalization of veterans, other than those who have entitlement or who are sponsored by some organization, is not extensive and that very little cash is collected from the veterans themselves.

The hon. member for Kootenay West (Mr. Herridge) made some comments the other day with regard to the Veterans Business and Professional Loans Act, but on the whole my department has found that the branch managers of the chartered banks now possess a good general knowledge of the act, the regulations and the procedure. When in difficulty they undoubtedly refer the issue to their head office, and in all cases the services of the Department of Finance are available for advice and information. It must be borne in mind that the bank is obligated under the act to treat every application for a loan with the same care as is exercised in the conduct of ordinary bank business. Consequently, an opinion as to whether the venture is sound must vary as between individual bank officials in different localities.

I should like to add also that the responsible minister for the Veterans Business and Professional Loans Act is the Minister of Finance, but I would advise the hon. member for Kootenay West that I will refer the matter to that minister in order to see if it is considered desirable to communicate with the

various head offices of the banks to ensure that all necessary regulations are available to the branch managers.

If I remember correctly, I think that covers most of the miscellaneous points. Those that I now come to deal more specifically with pensions. The hon. member for Cape Breton South, who has been a member of many committees on veterans affairs, referred to divorce as applied to pensioners, and to one particular case wherein the Canadian pension commission do not pay additional pension on behalf of a wife. He mentioned a conversation with the Minister of Justice on this subject.

I assure the hon. member that the chairman of the commission had brought this subject to my attention a long time ago and has done so consistently since, and it is most actively being considered as a follow-up to the report of the subcommittee to the veterans affairs committee of 1948. Some hon. members who are here tonight were members of the committee in 1948. The chairman was the hon. member for Grey-Bruce, the parliamentary assistant to the Prime Minister. That subcommittee brought in a report which at that time, as hon. members will recall, did not make any specific recommendation for a solution, but we are still working on it.

Mr. Brooks: I do not think they were dealing with that particular point. I think the question which was before that committee had to do with divorces in England.

Mr. Gregg: I think hon. members will agree that this particular point was part of the terms of reference of that subcommittee.

Mr. Brooks: I was a member of the committee. I do not recall that.

Mr. Gregg: Another case was mentioned by the hon. member for Cape Breton South, and I will quote what he said as reported at page 606 of *Hansard*, column 1:

> A boy joined the air force early in the war, went through all the training, and qualified as a pilot. He was posted to one of the civilian flying schools as an instructor-pilot. My information is that he did not ask for that posting, he was sent there. While on a joy-ride one night he fell off a hay wagon and his skull was fractured.

He was refused pension for disability and my hon. friend suggests that it is our responsibility to award one to him. It happens that the commission knows this case well. A review of this claim indicates that the veteran volunteered for duty as a flying instructor at a civilian school in Canada and was granted leave of absence without pay for that purpose. He signed an application form dated June 5, 1943, asking to be released from the R.C.A.F. for nine months for employment as a staff pilot, and on January 18, 1944, this leave without pay was extended indefinitely. These civilian flying schools were provided with insurance covering disability or death on a scale equal to that of the Pension Act. Unfortunately, in this case the disability was not incurred while on flying duty but as the result of an off-duty accident on the evening of August 26, 1944, when he fell off a hayrack while going on a picnic and suffered a head injury.

The commission, of course, here as elsewhere, must be governed by the Pension Act in adjudicating upon claims, and in this one ruled that, having regard to section 11 of the act, the disability was not pensionable as it was incurred while on leave of absence without pay.

The hon. member for Acadia touched upon a few points affecting the Pension Act regarding which I should like to give him the information promised. He referred to the deletion in 1948 of the term "wilfully and deliberately concealed" from section 11 (1) (c) of the act and asked how many cases had been reviewed and how many veterans had benefited as a result of that change.

The chairman of the commission advises me that, ever since the amendment in 1948, the commission has actively pursued a review of each known case and that at the 11th instant the records show that out of 2,012 cases reviewed, the following decisions were rendered:

Pre-enlistment aggravated, pension for entire disability	1,628
Pre-enlistment recorded, aggravated, not pensioned for entire disability	292
Pre-enlistment obvious, not pensioned for entire disability	86
Entitlement granted as incurred during service	6
Total	2,012

Hon. members will recall that those two words "recorded" and "obvious" were inserted in place of those I mentioned a moment ago.

The two other pension points raised by the hon. member had to do with disabilities of pre-enlistment origin and the question of the benefit of the doubt. I am sure hon. members realize that where there is evidence of pre-enlistment origin, the commission must take cognizance of the fact. They must determine whether the injury or disease or aggravation thereof resulting in disability or death was attributable to or incurred during service. That is a statutory requirement.

With regard to the benefit of the doubt, I am sure the commission welcomes the provision in section 63 and takes full advantage of it. There must be a doubt, however, before the commission can exercise their discretion.

Each day this section is invoked on many occasions, but we do not hear so often when pension is granted after that study.

The hon. member for Kamloops made some interesting observations with regard to adopted children, and they are being made the subject of renewed study. I would, however, point out once again that the commission must be governed by the statutory requirements. Section 22 governs payment to children and subsection 3 thereof states:

> No pension shall be paid to or in respect of a child unless such child was acknowledged and maintained by a member of the forces in respect of whom a pension is claimed at the time of the appearance of the injury or disease which caused the disability for which he is pensioned.

That portion of the section deals with any children adopted after the time of acquiring the disability. Then of course the section concludes with these words:

> Provided, however, that a legitimate child born subsequent to the appearance of such injury or disease shall be entitled to a pension.

Subsection 4 gives the commission discretionary power in very special cases and they are glad to exercise that discretion.

The hon. member for Kootenay West made some kindly references to the work of my department, for which I should like to thank him. I can assure him that my officials sincerely appreciate them. He advanced the suggestion that appeal boards of the commission should sit in the smaller places and, as he said, "show the flag". His suggestion is good and the chairman of the commission advises me that the policy is to hold hearings at any centre where the number of cases to be heard and the accommodation available warrant such action. This week one sat for two days in Kingston and one for the same two days in North Bay. At present the commission is considering one for the interior of British Columbia.

The hon. member for Vancouver-Quadra made a special plea on behalf of educational benefits to the children of those members of the forces who lost their lives. I am sure we all feel strongly on this question. I take it that what he has in mind is something beyond the provision in the Pension Act which allows of the continuation of additional pension to the age of 21, where the child is satisfactorily pursuing a course of higher education and the parent is without adequate resources. The national organizations of ex-servicemen, and other organizations as well, have advanced similar pleas; and, I need hardly say, they meet with my great personal sympathy and are receiving study on the part of the government.

The hon. member for Wetaskiwin asked:

> How many veterans have had their pensions reduced since January 1, 1949, and how many have been reduced by 25 per cent or more?

I trust the following will meet his request. World war I: disability pensions reduced after medical re-examination during period January 1, 1949, to September 30, 1949, inclusive, 47. Of the above, the number reduced by 25 per cent or more is four. In all these cases pension had not been stabilized as the assessments were adjusted following treatment and had not been in effect for three years or more.

World war II: the statistics are not available and would involve the review of thousands and thousands of review cards. The hon. member will appreciate that, following discharge from service or treatment, disability is assessed and pension put in payment. Initial awards are in many cases generous, particularly following surgery. The Canadian pension commission reviews these cases and pension is awarded in accordance with the extent of pensionable disability as found on medical re-examination from time to time.

The hon. member for Wetaskiwin also asked:

> When a pensioner has been re-boarded, is there any court of appeal or tribunal to which he can appeal if he feels he has been aggrieved by the finding of the board?

The question is not clear. If it relates to a re-board for medical examination, the pensioner can apply to the local pension medical examiner. If the case is one wherein the veteran has appealed his claim before an appeal board of the commission, then the decision of that appeal board is final under section 52 (4).

There is, however, provision in section 58 (4) of the act whereby an application for leave to reopen the claim may be considered by a new appeal board of the commission subject to the statutory requirements of that section.

In answer to a number of questions I said that, for the information of all hon. members, I would try to put on the record as briefly as possible an outline of the procedure in effect by the Canadian pension commission in dealing with claims generally under the Pension Act. I must apologize to the committee for taking the time, but I think it may be worth it.

Let us start at the point of demobilization. An arrangement was entered into whereby the proceedings of each medical board on discharge from the service were forwarded to the pension commission. These proceedings or records were reviewed by the medical advisory staff and, if a disability was shown

to exist, the case was prepared and submitted to the commissioners for decision. It is significant to note that this action was taken by the commission without any application whatever on the part of the veteran.

Where entitlement was conceded by the commission, that the condition was incurred or aggravated during service, notification was sent to the pension medical examiner in the district where the veteran resided to call him in for pension examination. This included a complete physical examination and a reference to the departmental specialist for reports and opinions when these were indicated. When this information reached Ottawa, it was reviewed by the medical advisers before submission to the commissioners and the disability was assessed and the file passed to the chief treasury officer to implement the commission's decision and get pension into payment.

It will be appreciated that in dealing with claims the commission came across a great number wherein it was clearly established on the record that the disability existed prior to service and, as a matter of fact, in thousands of cases was recorded on the attestation form. Where the review of the documents indicated no worsening due to service, the commission ruled "pre-enlistment condition, not aggravated during service". The decision rendered in that regard is known as an initial one and the applicant has the right to proceed further with his claim; and this is the procedure provided by the statute.

One, the applicant has the right to renew his application before the commission with additional evidence. Actually he is not limited to one renewal but may come back as often as he desires in an endeavour to establish his claim. The commission thoroughly and sympathetically reviews the application in the light of the history contained on attestation, that which is completed during service and, now, the post-discharge history, and renders a renewal decision.

Two, the applicant has the further right, when his claim is not upheld, to request an appearance before an appeal board of the commission sitting in his own locality. The claim is heard by three commissioners, none of whom has adjudicated upon his claim previously. It reaches them as an entirely new one and their decision is based upon the evidence adduced at the hearing by the applicant, his advocate and his witnesses. Incidentally, the applicant and his witnesses are compensated for out-of-pocket expenses and lost time when attending such hearings. These appeal boards of the commission travel throughout Canada and usually two appeal boards, in different centres, are sitting each week, and I am happy to report that most cases are heard within a short time after their certification as being in readiness.

Three, the Pension Act states: "The decision of an appeal board is final." There is provision in section 58 (4) of the act, however, whereby the commission may entertain an application based upon any error in the decision of the appeal board by reason of evidence not having been presented or otherwise. Such an application is heard by three commissioners who are designated by the chairman for the purpose. Should the board grant leave to reopen the claim, it immediately constitutes a new one in so far as procedure is concerned. That is to say, it proceeds to initial hearing and, if necessary, from there to renewal and appeal.

Hon. members will be interested to know the Pension Act provides that, whenever an application is not wholly granted, the commission:

> Shall promptly notify the applicant, in writing, of its decision, stating the grounds therefor, and shall inform such applicant that he may renew his claim, before the commission on the submission of additional evidence, or before an appeal board of the commission in person or by or with a representative, with or without additional evidence, and that he may have the assistance of the veterans' bureau free of charge or of a service bureau of a veteran organization, or other representative at his own expense, in the preparation and presentation of his application.

Each decision rendered by the commission contains the reasons leading to the decision and, when the application is not granted, the applicant has, generally speaking, full information regarding the grounds on which his claim was not granted.

I might add that the veterans' bureau, which is a branch of my department, has a chief pensions advocate and staff at Ottawa, and in each district office of the department there is an advocate, or there are advocates who are, generally speaking, barristers, and are specially trained in the preparation and presentation of claims. They have access to all the documents completed during service and, of course, to the records on the departmental files. This service is rendered without any charge whatsoever to the applicant. In addition to this, the service bureaux of some of the national organizations of ex-servicemen render very excellent and much appreciated service in the advancement of claims.

I have given an outline of the procedure in effect when an applicant claims entitlement for a disability and to complete my statement it might be well to give an indication regarding the procedure in effect in arriving at the amount of pension to be paid for a service accepted disability. Previously

I have indicated that examinations are carried out by pension medical examiners in the various districts, and wherever possible, and I am referring to world war II claims, the commission endeavours to make the award of pension permanent.

Some complaints, but as a matter of fact relatively few, reach my office, and no doubt have been received by hon. members, that an award of pension has been reduced, and a word in that regard might be helpful. The commission, in their initial awards, had a general policy of being generous. I am speaking now of world war II. I will deal later with world war I. It was their desire to make sure the pensioner was fully compensated, and particularly so in the early stages when the injury or disease imposed a greater disability, because it must be understood that in many instances there was an improvement with time. Re-examinations were called for, generally speaking in a year or so, and the disability assessed in accordance with the degree found on examination at that time.

There are instances where the pensioner has complained regarding his assessment and there is provision in the Pension Act whereby such a complaint can be heard by the commission. The general policy is to endeavour to adjust the complaint locally and, if such cannot be done, the next stage is through consultation with the medical advisers of the commission at head office. When satisfaction is not reached, the case is referred to the chairman who, in accordance with the provisions of section 7 (3) of the act, arranges to have one or more commissioners hear the complaint in the pensioner's home locality, and I am advised this procedure has met with very great success and satisfaction to all concerned.

I am happy to bring these remarks to the attention of hon. members because although, fortunately, the minister is given no discretionary powers in the Pension Act—and I say "fortunately" advisedly—nevertheless I am closely in touch with the work of the commission and the commissioners, all of whom are ex-servicemen with a good record of service. They are charged with a very heavy responsibility, one which I feel they discharge with sympathy and understanding, but they cannot go beyond the statutory provisions. There are now nearly two hundred thousand disability and dependent pensioners, and the monthly liability for these awards closely approximates eight million dollars.

Mr. Green: I asked the minister for figures respecting disability decisions in which entitlement was refused on the ground of a pre-enlistment condition not aggravated by service. He promised to obtain those figures for me.

Mr. Gregg: I will have to ask the hon. member's patience in this regard, because this question involves a tremendous amount of searching. However, I shall undertake during the course of the session, and as early as possible, to have that information for him.

Mr. Lennard: At the outset of his remarks the minister referred to a question I had asked earlier regarding the hospitalization of veterans under class 5(a) for veterans having meritorious service. Does his reply this evening indicate a decision later than the one set out in a letter from the deputy minister on October 7?

Mr. Gregg: I can assure the hon. member that my reply tonight is up to date, because in preparing it I consulted with the deputy minister.

Mr. Lennard: Is it a decision made within the last day or so?

Mr. Gregg: The point covered in my remarks dealt more particularly with bringing a veteran from what we call a civilian hospital to a D.V.A. hospital, when he was taken to the former hospital as a result of an emergency. I think the hon. member has in mind the case where the veteran did not go into a civilian hospital.

Mr. Lennard: No, where he did, in an emergency.

Mr. Gregg: The hon. member will note when he reads my remarks that I stated we have full authority to pay his expenses in, and whatever expenses he may have incurred legitimately at the other hospital.

Mr. Lennard: Would it be an extreme case of emergency?

Mr. Gregg: I believe I would be correct in saying it would be a case where circumstances were such that it would be difficult or impossible to get the veteran into one of our own hospitals.

Mr. Pearkes: This particular item deals with the administration of the Veterans Land Act. When we were discussing the first item I had advanced some observations with respect to the administration of the small holdings sections of the act, and had called attention to the fact that a year or so ago the committee on veterans affairs had recommended that the amount of small holdings be reduced to half an acre. Since then the amount of land required for a veteran under the small holdings section of the act was increased to approximately three acres. The result of that has been that a great many

veterans who have taken up small holdings have found it impossible to maintain that amount of land, particularly when they have more or less permanent jobs in a city.

In most sections of the country three acres is not enough to sustain a family. The small holdings section of the act was not intended to provide a means of permanent livelihood for a veteran but rather to augment what he might be earning from his regular trade, or to augment some pension he might be receiving.

There seems to be some misunderstanding as to the actual extent of land a veteran must have before he may have the benefit of the small holdings section. I was always under the impression, until a few days ago, that it now had to be three acres; but I was informed that it has to be three acres provided the value of the land is less than $500 an acre. If it is more than that amount the extent of land may be reduced to two acres. Even then the director under the Veterans Land Act has some discretion in the matter, and may reduce either a three-acre or two-acre holding by ten per cent, if he considers such reduction desirable in order that a veteran may have the benefit of a particular small holding.

Furthermore if a veteran is drawing a pension and has a war disability which makes it impossible for him to operate two or three acres, as the case may be, at the discretion of the director an even smaller extent of land may be allocated to him.

I do not believe those conditions are generally known, and I would ask the minister whether the figures I have given concerning the extent of land are correct. If it is recognized that either because of the price of the land, or because of the disability from which a veteran may be suffering, the three acres may be reduced to a smaller amount, then I believe it would be in the interests of veterans who are taking advantage of this small holdings section in the act that the extent of land be reduced for all. If a man wishes to take up a small holding outside the limits of a city there are certain restrictions imposed so that it will not clash with some Central Mortgage and Housing scheme. It is therefore necessary that there be still greater flexibility. It should not be necessary for a man to take up more land than he can operate profitably and keep in a suitable condition. When land is left idle, weeds develop and become a menace to the people in the immediate neighbourhood.

I should like to ask another question with regard to the length of time that must elapse before a veteran can obtain a clear title to his land. I understand the period varies from ten to fifteen years according to the risk, if I may use that word. A man who is getting on in years is not considered as good a risk as a younger man and therefore must pay up in a shorter period of time.

There are many veterans who have been able to meet all their payments well ahead of the period they contracted for but are not able to obtain clear title to their land until that original period has elapsed. Recently the Department of National Defence wrote to many veterans across the land asking them if they would consider rejoining the services. I have had letters from some of these men who have taken up small holdings and they tell me that they would be willing to rejoin the services but they do not feel they can do so because they have not free title to the land they have taken up. They do not want to be saddled with a home in one part of the country and perhaps be stationed in another part when they rejoin the services. A man might have to transfer his family from Alberta to Ontario for instance. If a man who had met all the payments could get clear title I think he would be more disposed to rejoin the services as they desire.

I presume the time limit was placed there to prevent speculation, but surely after a reasonable time has elapsed the opportunity or desire to speculate in connection with a small holding would have passed. Could consideration be given to granting full title to these lands at an earlier date? If it is not considered expedient to do it in all cases, I would ask that it be done in the case of the man who intimates that he intends to rejoin the services. At the present time a man who has met his payments may still have to wait some years before his original contract is completed.

Mr. Gregg: The first point raised by my hon. friend was in connection with the acreage and I know this is a matter of interest to many hon. members as it is to us. As it stands at the present time it is three acres where the price of the land and a suitable water supply is less than $500 per acre, and two acres where the price of the land and a suitable water supply cost more than $500 per acre. The hon. member was right when he said that the director has discretionary power up to ten per cent.

Replying to the second point raised by my hon. friend, may I say that the veteran on a small holding may get full title at any time provided he pays the full amount of the cost to the director. After ten years he would have the benefit of the 23½ per cent discount which amounts to approximately $2,300. I am sure that the motive in placing a limit of ten years was to discourage speculation.

In his third question the hon. member has put his finger on one of a number of rather difficult points that have turned up in the administration of this act. I am glad to say that that is one of the things that will be coming forward for consideration in the amendments announced in the speech from the throne. Those amendments are all of a category to try to eliminate bottlenecks and the Department of Justice is now studying them. I hope to have a resolution on the order paper before long covering these amendments.

Mr. Pearkes: Did the minister say that a veteran could get free title at any time?

Mr. Gregg: If he pays the full amount of the cost of the property and is prepared to forgo his conditional grant or discount.

Mr. Quelch: When this act was first introduced and was before the veterans committee of the house it received pretty well the support of all hon. members. I think most of us felt that it was a good act, at least we considered it to be generous in comparison with the old Soldier Settlement Act. I remember when the act was being explained we were told that it was based upon the experience that in order for a farmer to be able to maintain his land he should have at least a forty per cent equity in it at the time he purchased. Therefore the veteran was required to pay a certain amount down in order that he might have approximately that equity in his place.

In 1945 there were many veterans anxious to settle on the land but quite often the Department of Veterans Affairs went out of its way to discourage them. I have had many talks with the superintendents in Calgary and Edmonton and they said that this was done because it was hard to get good farms, because there was a shortage of equipment at that time and because it was felt that prices were going to come down and it would be of benefit to the veteran to hold back for a year or two. In some cases they actually told the veteran that he would have to work on a farm for a year or two before he would be allowed to go on a place of his own, and in many cases the veteran had been reared and had lived on a farm all his life.

Apparently the intention was to make it difficult for the veteran to go on the land. They were told that if they would wait two or three years the price of machinery and equipment would come down, but just the opposite happened. In 1945 you could buy a John Deere tractor for $1,800, whereas in 1948 the price had gone up to $2,700. The result was that when these veterans finally tried to get in under the scheme practically the whole of their $1,200 grant had been wiped out by the increase in prices. I think the minister will agree that was a most unfortunate state of affairs. Mind you, I am not blaming the Department of Veterans Affairs because there is no doubt that at that time they thought prices were going to fall. In 1945 I do not think anybody expected that we would have the kind of price increase that we had from 1945 to 1948, but it was a very unfortunate situation so far as the veterans were concerned.

I recall that during wartime the Minister of Finance told us what had happened to the veterans of the first war, that when they came back they found that prices had become inflated and they suffered the consequences. The Minister of Finance said they were going to see that the same thing did not happen to veterans of the last war. It has happened even to a greater degree than it happened after world war I. I say the result of the inflation of prices wiped out entirely the amount of the grant that was given for the purchase of machinery and equipment.

Of course it also hurt the veteran who had to buy land, because by 1948 the price of land had gone up so high it was almost impossible for a veteran to buy a good half section of land for $6,000 or $4,800, with the result that he had to put up a considerable amount of his own money in addition to the money he got from the Department of Veterans Affairs. Consequently he had very little money left with which to buy equipment. In order to get a start many of them assumed obligations which are making it quite difficult for them at the present time.

I will be quite frank and say that in so far as the veterans in my district are concerned the vast majority of them are doing quite well. I think they have been fortunate. They have had good crops, and the prices of the things they have to sell have been good, so generally speaking in the district where I reside it is quite a happy picture. I wonder if the minister could tell us what the general picture is throughout Canada. I refer only to veterans engaged in full-time farming. For example, will he tell us how many veterans, engaged in full-time farming under the Veterans Land Act, have made their current payments? How many, if any, have paid up in full? How many are in arrears, and how many, if any, have signed quit claims? Perhaps the minister might be able also to tell the committee how many veterans have taken advantage of order in council 4559 which deals with the crop share payment agreement.

Mr. Gregg: While I am getting those figures I should like to say that, while I was not here during the period in 1945 which the hon. member mentioned, from observation

outside I can say—and I am assured by my officials—that there was no active discouragement of veterans going on the land. It is true that now, as then, those who administered the Veterans Land Act have perhaps been prudent or cautious, whichever word you choose, from their experience with the old soldier settlement board. I am not going to say whether or not they have been too cautious. There would be differences of opinion on that. At any rate, it is one feature of our rehabilitation plan which is still very much alive.

Today our great university training plan is on the way out. Next spring the main body of students will be through. Our vocational training is practically through. Veterans have been taking up professional loans in their small businesses, and so on, but a steady stream of young men and women are still finding their way into farming even four years after the war. I think it is only natural because in 1945, when demobilization took place so rapidly, a great many young veterans were offered jobs which provided more money than they were getting before the war. Some of them had never worked before. They jumped into employment and after a while began to wonder whether that was the type of work for which they were best equipped. Perhaps they came from the farm and had some youthful experience in farming.

A number of those, whose wives are in accord with the idea, are now coming forward, wanting to go into full-time farming, a few into commercial fishing, and many of course retaining their jobs under small holdings. The more extensive figures wanted will be given, but perhaps the committee might be interested in a brief summary I made for myself, which I have called statistical highlights. The total number of veterans who have had assistance towards rehabilitation under the Veterans Land Act up to August 31 has been 43,986.

Mr. Wright: Small holdings?

Mr. Gregg: Everything—farming, commercial fishing, small holdings. The total amount of the expenditure approved by way of loans is $214,781,000 in round figures. The number of applications approved for full-time farming is 21,818, and side by side with that one may put the number of applications approved for full-time farming on dominion and provincial lands—we keep that separate for obvious reasons—which is 4,158. That is in addition to the 21,818 I have mentioned. Applications approved for commercial fishing total 719. That is not a large figure, but I can assure the committee that it is serving a very useful purpose for our veterans along our seacoasts.

[Mr. Gregg.]

The number of applications approved for small holdings is 20,890. That includes all small holdings, both individual and incorporated within subdivisions.

Mr. Green: That is about half.

Mr. Lennard: How many of them were half-acre small holdings before the act was changed?

Mr. Gregg: It is estimated that of the 20,890 small holdings approximately 40 per cent would be on the half-acre holdings within subdivisions.

Mr. Lennard: Were the half-acre small holdings becoming so popular and requests for them so numerous that the government more or less made the decision to change the act because they feared the number would be so great that they could not handle it?

Mr. Gregg: No, Mr. Chairman. I should like to try to deal with that point later in all its aspects, because I know hon. members are interested in it. But the suggestion submitted was not the real reason at all, as I understand it. The total number of houses constructed or under construction under this act is 10,132. That includes new houses that may have been built on small holdings, for commercial fishermen, or for farmers. Of course some of the farm houses were there when they purchased their farms. The percentage of houses now under construction, where the veteran is his own contractor, is 65·2. The percentage of payments and still owing in all categories up to April 1, 1949, this year is 6·3. The 6·3 per cent does not include prepayments made by individual veterans amounting in total to $1,748,000. In other words, the $1,748,000 constitutes moneys that have been paid over and above what was actually due. Profit from revenue on backlog property held by the Veterans Land Act administration, less carrying charges on that property, is $719,737. That is property that was held in between the time it was purchased some years ago by the Veterans Land Act and the time it was disposed of to the veterans, having been rented and been a source of revenue.

The total number of the Veterans Land Act staff is 1,387.

The number of contracts cancelled in all categories is 1,656. Does that answer my hon. friend's question?

Mr. Quelch: I asked the minister whether he could say how many veterans have signed crop share agreements under order in council 4559?

Mr. Gregg: Eight hundred twenty-four.

Mr. Quelch: There is one other point I should like to raise. At the time this act was first under consideration, many members urged that the merchant marine should be brought under the act. At that time, the Minister of Veterans Affairs pointed out that at the conclusion of hostilities there would be a shortage of seamen and, therefore, the department did not want to encourage them to leave the sea and go on the land. The minister stated quite definitely, however, that a few years after the war it might be possible to widen the scope of the act to include merchant seamen. I was wondering whether or not that question is now under consideration. I understand there are quite a few seamen looking for work, and no doubt they would like to have the opportunity of coming under this act.

Mr. Gregg: Mr. Chairman, I am speaking now from memory, but I cannot recall any demand on the part of merchant seamen, or anybody on their behalf, for this particular benefit. There was a request for vocational training, and that, to some degree at least, has been fulfilled. I am assured by my deputy minister that he has not had, and I certainly have not had many inquiries for the benefits of the Veterans Land Act.

Mr. Green: I presume that is because the seamen know they are ineligible.

Mr. Quelch: That is the reason. The seamen know they are not eligible now, but certainly many representations were made by members of the committee asking that they be included. If the minister feels there will be very few anxious to take advantage of it, then the government would have very much less responsibility and I would think the government would be more willing to bring them under it.

Mr. Brooks: In that connection, I might state that the Canadian merchant navy representatives appeared before the veterans affairs committee, and the following is a report of their request:

> Mr. Chairman, we ask your committee to recommend to parliament that the veterans of the merchant navy be given the benefits of one, the vocational and educational grants; two, Veterans Land Act; three, rehabilitation grants; four, housing legislation; five, civil service preference.

I know that the merchant marine did make a very special request for the benefits of the Veterans Land Act, and I think that they made the request not only at this particular meeting of the veterans affairs committee but at a number of other committee meetings which I attended.

Mr. Gregg: That is true, as part of the background of the request that the merchant seamen be treated in all respects as ex-members of the armed forces.

Mr. Harkness: I should like the minister to clarify the situation in regard to mineral rights on lands taken up under the Soldier Settlement Act. The minister will remember that not long after he took over the department I saw him in connection with this matter and he succeeded in straightening it out very well. I should like to take this opportunity to thank him for that. Regulations had been in effect for many years which prevented a veteran who had taken up land under the Soldier Settlement Act from obtaining the mineral rights to that land. Those regulations were changed later enabling him to get those rights.

During the past few months, I have had complaints from two men in connection with the fees charged them in order to secure those rights, and the difficulties they had in connection with them. One man apparently had to pay two fees. In this man's case, the land had been in the family before. It had belonged to his father and the veteran had purchased it from some member of the family under the Soldier Settlement Act. This man lost the opportunity to sell his mineral rights or lease them during the oil boom in the Turner valley. He now has to pay these two fees, and as a result feels rather annoyed. Could the minister explain what these fees are and what the necessity for them is?

Mr. Gregg: Mr. Chairman, I thank the hon. member for his remarks. As the matter stands now we are in a position where we are able to return to the veteran, under the old soldier settlement board, all the mineral rights if the director of the soldier settlement board was in possession of those rights. I believe that is working out well in so far as it possibly can work. The fee charged was $25 to cover the cost of searching and drawing up documents—that sort of thing.

Mr. Harkness: For what was the second fee charged?

Mr. Gregg: I do not know of any second fee.

Mr. Harkness: Just on that point, could the minister tell us how many soldier settlers did obtain their mineral rights?

Mr. Gregg: I have not the figures here but I will get them for the hon. member.

Mr. Murray (Cariboo): I should like to ask the minister if the rights of the soldier settlers at Montney in the Peace river country in British Columbia are being protected with respect to the oil rights on the land which has been taken over from the Indian reserve? There are 38 settlers in the neighbourhood of Fort St. John who have been very profitably settled on the land. The land having been

taken over from an Indian reserve, it carried, of course, the oil and mineral rights. It would only be proper that those rights should go to the returned veterans who have now taken up land and have cultivated it. I understand the department made a deal with the Indians whereby the Indians were given other land back in the mountains suitable for trapping and so forth, in return for this fine agricultural area for soldier settlement which is now being so successfully operated. I may say that oil is being found in that vicinity and it might very well be that these soldiers are in the centre of a great oil basin.

Mr. Gregg: May I ask the hon. member whether that is the Bobtail reserve?

Mr. Murray (Cariboo): That is the Montney reserve near the Alaska highway in the neighbourhood of Fort St. John.

Mr. Gregg: I think I should like to look into that matter and be sure of my answer.

Mr. Brooks: Before the item carries, there is another question I wish to ask the minister. It is an old perennial, and I am sure if the hon. member for Battle River (Mr. Fair) were here he would ask the question. It has to do with the old soldier settlers. As the minister knows, there has been an agitation in practically every veterans affairs committee to have the soldier settlers given title to their land.

It is not necessary to review the history again. These men settled there after the first war. Many of them settled on land which was submarginal and they have not been able to make their payments. These men have raised their families and their sons have gone overseas. Many of them are now over sixty years of age and have not title to their land. There is no possible chance of their ever gaining title. I understand that the number of these men is now less than 2,000, whereas originally, I think, it was over 25,000. Of that 2,000, many of the men have paid the price of their land two or three times over. I think there are only about 21 who have no equity in the land at all, if I remember correctly the statements that were made before the veterans affairs committee. I should like to ask the minister if there is any disposition on the part of his department or of the government to include in the amendments to the Veterans Land Act a gift to these old soldier settlers of the titles to these lands. After all these years I think that could well be done. I do not think it would establish a precedent. I know that in our veterans affairs committee we would sometimes be met with the argument that it would establish a precedent; but the Canadian Legion has recommended it on many occasions and I am sure that the sympathy of all the soldiers, whether they have paid for their own lands in previous years or not, is with these men. If the department is not already doing so, I should like to ask the minister if they would sympathetically consider granting the titles of these lands to these old soldiers who have lived on them for so many years, who now are old, and who have no title.

Mr. Gregg: The department has considered the matter, but not in exactly the same wholesale fashion that my hon. friend indicates. Perhaps he missed it, but when our estimates were up for discussion before, as reported at page 623 of *Hansard*, in the second column, I gave a fairly detailed picture of how the matter stood now on the basis of doing it piecemeal. For the reasons given there, we feel that this method is obviating any hardship and is doing it better than it would be done by making a wholesale, sudden forgiveness.

Mr. Brooks: Doing things piecemeal seems to be a habit of the government.

Mr. Gregg: My hon. friend may not agree with me, but he knows as well as I do that in his own province a great many of the old veterans under the soldier settlement board are getting cleared off in this fashion. Last year there was an item of $150,000 in the estimates; this year there is an equal amount; and I hope to ask for the same amount next year.

Mr. Brooks: The idea is eventually to see that these men are given the free title to their land.

Mr. Gregg: That is correct.

Mr. Brooks: I thank the minister for the information he has given.

Mr. Gregg: The report there will indicate that substantial progress has been made.

Mr. Brooks: I recall that the former member for Yukon, Mr. Black, spoke about getting certain land for the construction of homes in the Yukon. I believe some difficulties arose, and that the minister said he would investigate and see what could be done in that area. Has there ever been any investigation, and what is the situation with regard to those veterans in the Yukon?

Mr. Gregg: Yes. If all the items related to the Veterans Land Act had come to as happy a conclusion as that, it would please me greatly. I think it was three weeks after the veterans affairs committee disbanded that the director of the Veterans Land Act and my parliamentary assistant took a plane to the Yukon. While there I

think they consulted with Mr. Black and the veterans organizations. I accused them of closing one eye in the interpretation of the act and certain legislation which comes under the Department of Mines and Resources. Nevertheless, it was approved by Justice that a formula could be found whereby they could do what they wanted to do, not under the small holdings section but under the same terms as applied to taking up provincial lands.

Mr. Brooks: They could eventually own the lands?

Mr. Gregg: They could eventually own the property. I can assure my hon. friend that the veterans there are all very happy.

Mr. Brooks: I thank the minister for the information he has given.

Item agreed to.

Soldier Settlement and Veterans Land Act—

547. To provide for the payment to the government of the United Kingdom on account of losses under the 3,000 British family agreement of August 20, 1924, and the New Brunswick 500 British family agreements of August 4, 1927, and August 27, 1935, $25,000.

Mr. Brooks: This item has to do with some settlers in New Brunswick. Some twenty or twenty-five years ago these settlers were brought out from the old country and settled in New Brunswick. I am rather surprised that we still have to pay $25,000 a year to Great Britain, it would appear, on behalf of these settlers. I should like the minister to explain just what the situation is. I thought these men had bought their farms long ago. Some of them are now grandfathers and their grandchildren are growing up on the farms.

Mr. Gregg: The settlers were non-veteran settlers that came out away back in 1929.

Mr. Brooks: In 1927, I think it was.

Mr. Gregg: I am told that this item is to reimburse or to continue reimbursing the United Kingdom government for certain moneys on their account. When we sell the properties, if a loss is involved it is borne pro rata by the Canadian government and by the United Kingdom government, in accordance with the original investment. This item is to take care of our share.

Mr. Brooks: It was a three-party agreement?

Mr. Gregg: Yes.

Mr. MacInnis: I too was looking at this item, and I noted that 3,000 families were brought out in 1924, I believe, and 500 at a later date. How many of these families are now settled on the land and how long will this payment on this item continue?

Mr. Gregg: As of March 31 this year, there are 593 of those contracts outstanding. That does not indicate that there are only 593 of those remaining. I have not the total number that are on the farms, because when the contracts are complete we do not carry them any more.

Mr. Wright: How long will this payment of $25,000 a year continue?

Mr. Gregg: I am unable to answer my hon. friend's question. It will depend. Until their contracts are fulfilled. I have not before me the exact dates of those contracts or any extensions thereof.

Mr. Wright: The minister could at a later date give us the figures as to the total amount that has been paid for the settlement of these 3,000 families, and what payment we still owe.

Mr. Gregg: I shall be glad to do so.

Mr. Brooks: I might say that it was a good investment.

Mr. Gregg: With regard to any item such as that on which I promise to bring forward information if the item passes, I will undertake to bring forward the information when the amendments to the Veterans Land Act are under consideration.

Item agreed to.

548. To provide for the payment of grants to veterans settled on provincial lands in accordance with agreements with provincial governments under section 35 of the Veterans Land Act, 1942 (as amended by order in council P.C. 2122, dated 13th April, 1945), and payment of grants to veterans settled on dominion lands, in accordance with an agreement with the Minister of Mines and Resources, under section 35 of the Veterans Land Act, 1942, as amended (P.C. 1550 of 18th April, 1946), $2,536,000.

Mr. Herridge: I was greatly pleased to hear the minister's remarks with reference to the settlement of veterans on provincial lands and projects under consideration. But at the same time I am interested in the reduction of this vote by $1,464,000. While I mentioned this previously when the minister's estimates were under consideration, I do again want to stress, and bring to the attention of the minister, the possibilities that exist under this vote for the settlement of veterans in the southern interior of British Columbia for full-time farming, possibly in the first place to a limited extent. There are great possibilities for the settlement of veterans on small holdings, particularly the type of veteran who is employed within three or four miles of a small village, or a pensioner or a veteran who qualifies under the War Veterans Allowance Act.

In the interior of British Columbia we have a great opportunity in that respect. I can

understand, Mr. Chairman, that it is not likely that a pensioner or a war veterans allowance recipient would want to settle on a small holding in the Acadia riding, but many of them are very much taken with the southern interior of British Columbia, particularly on account of our climate. That section of the country contains a large number of good lake locations where one can settle on a few acres of land beside some of our excellent lakes and enjoy the location, scenery and so forth. In this connection, Mr. Chairman, I do want to suggest that there is a splendid opportunity for the Department of Veterans Affairs to take even more positive action in this respect. The minister's officials can acquaint themselves with the opportunities in the southern interior of British Columbia. Many of the locations are still held within forest reserves. As the minister knows, the minister and the deputy minister of lands of British Columbia are sympathetic toward this sort of thing and are willing to co-operate with the department here in taking land out of the forest reserves wherever it is indicated as suitable for the settlement of veterans for full-time farming or for small holdings. I am bringing this to the attention of the minister again to emphasize the unusual and particular opportunities in the constituencies of the southern interior of British Columbia for settlement under this section of the Veterans Land Act.

Mr. Gregg: I should like to comment on that. I thank the hon. member for that suggestion. I can assure him that there is no intention whatever to cut down on these loans provided the veterans want to qualify for the work. In 1948-49 the appropriation was $4 million, and we spent only $2,620,809. The figure given here is an estimate of what will be required for this year. If it is not enough we shall certainly ask for more.

With respect to the other point, there are more things going forward in conjunction with the Department of Agriculture and with the province of British Columbia in regard to settling veterans on provincial lands in the interior of that province. I can assure my hon. friend that the Veterans Land Act officials will be glad to follow that up.

Mr. Quelch: Some weeks ago I discussed with the minister the question whether or not an agreement had been reached with Alberta to pay a grant where land is leased in special areas on a ten-year basis. Has anything developed since that time?

Mr. Gregg: I am not in a position to answer the hon. member now, but I shall get him an answer.

Item agreed to.

[Mr. Herridge.]

549. To provide for the payment of grants to Indian veterans settled on Indian reserve lands under section 35A of the Veterans Land Act, 1942 (as amended by order in council P.C. 2122, dated 13th April, 1945), $600,000.

Mr. Harkness: I am interested in the success of the scheme of rehabilitating our Indian veterans on their own reserves under the Veterans Land Act. Can the minister tell us how many of our Indian veterans have taken advantage of the act? Can he give us a breakdown of the number who have used the act in order to get into full-time farming operations on the reserves, and the number who have used it really as a small holdings scheme in order to secure homes and thus improve their living conditions? Is the limitation, imposed in the ordinary small holdings scheme, of three acres to enable a man to take advantage of the act, imposed upon the Indians on their reserves?

Mr. Gregg: The number of full-time farming Indians is 505; small holdings 179; provincial lands, 3,474.

Mr. Harkness: That has nothing to do with Indians.

Mr. Gregg: I am sorry. The last figure was wrong. The number of Indians settled under the act is 1,014.

Mr. Harkness: Where are the remainder settled? The number given as settled on full-time farms and in small holdings on reserves is 684. Then the minister gave a figure of 3,474 which was applied to something else.

Mr. Gregg: My hon. friend should cancel the breakdown I gave on full-time farming. I have not that breakdown here. The total number of Indians, which is the only figure I have for all purposes is the one I gave, 1,014, in which the first figure would be included. The amount of money involved is $1,123,560.

Mr. Harkness: What about the matter of limitation of buildings in which three acres were available? What is the situation in regard to that on the Indian reserves?

Mr. Gregg: I stand corrected on this. In this connection we work in close co-operation with the Department of Mines and Resources under which the Indian administration comes. In the first place, the dominion government owns the land and our department furnishes the money. Offhand I am not aware of the limitation in regard to acreage.

Mr. Harkness: The limitation of acreage was being enforced in so far as the Indians building houses on the reserves were concerned. I know the thing is under consideration. I had hoped that by this time the limitation would have been removed on these people because it is not a limitation which

should apply to Indians on the reserve where the land is held in common in any event. The most that the Indian has is a ticket, as it is called, which more or less guarantees him the possession of that particular piece of land and enables him to leave it to his direct heirs, if he has any. I do not think it is a limitation which should be kept in force. If it is in fact still in force, which is what I want to find out, I suggest to the minister it should be removed so far as these people are concerned. I was one who was strongly in favour of the amendment to the act to make it possible for our Indian veterans to take advantage of small holdings. Originally, under the provisions of the act respecting Indian reserves, they were not able to take ownership of land. I am rather disappointed that more of our Indians have not been able to take advantage of these provisions. What the various reasons may be, I do not know.

I would recommend to the department and to the Department of Mines and Resources that any of our Indians still eligible for benefits under the Veterans Land Act should be encouraged to take advantage of those benefits. All hon. members know that the general situation of Indians in Canada is deplorable, and any scheme of this sort which they could take advantage of would be worth while. When the legislation already exists, and the opportunity exists, I suggest every encouragement should be given to them to take advantage of its provisions.

Mr. Gregg: I agree most heartily with the hon. member and shall discuss the matter with the Minister of Mines and Resources. Should any case come to my hon. friend's attention that could be remedied, I should be pleased to have him bring it to my attention.

Item agreed to.

Soldier Settlement and Veterans Land Act—

550. To provide for the reduction of indebtedness to the director of soldier settlement of a settler under the Soldier Settlement Act, in respect of a property in his possession, the title of which is held by the director, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property and his ability to repay his indebtedness to the director, under regulations approved by the governor in council, $150,000.

Mr. Quelch: This provision is in lieu of a grant of free title to soldier settlers. When we were dealing with the first item I asked the minister a question to which I did not receive a clear answer. I am familiar with a number of cases where local supervisors have called upon veterans and have come to agreements respecting reductions in amounts of debts. A veteran may have agreed that he will pay so much cash at the time, and that after harvest he will make another payment to pay off the balance. If the second payment is made the veteran gets clear title, but if he is not able to make that second payment the amount of indebtedness goes back to the original amount, and the amount he has paid can be returned to him.

Where a veteran is not able to complete an agreement by making a second or third payment, owing to crop failure, is it the policy of the department to extend the agreement for another year, or does the agreement automatically die and the amount of the indebtedness go back to the original amount?

Mr. Gregg: I believe I am correct in saying that, as in many other things, the director under the Veterans Land Act has given a great deal of latitude to his district superintendents. An amount has been estimated that could be apportioned to the various districts. The district superintendents who are familiar with local situations and know the settlers under the soldier settlement board attempt to carry out the intention of this particular item.

I can assure the hon. member that the whole matter will be open to negotiation at any time. It has been explained to me, when talking with men working in the fields, that there would be another side contract under which it would be understood that a settler would be getting in some money when he sold his crops, and he would say, "If you will keep it open, I will be able to pay so much this fall, and probably so much next fall." I can assure my hon. friend however that this new contract does not cover any long period of time. It is just for a short period to see if the settler cannot take some part in the final liquidation of his land.

Mr. Quelch: There is every possibility that there may be a crop failure this fall so that the veteran could not complete his agreement. I want to know whether the debt will go back to the original amount, or whether he is given another chance for another year so that he would not lose the benefit of the agreement. I agree that the reductions being made are substantial. A veteran does not wish to lose the chance of having the debt reduced just because of a crop failure, and his not being able to pay the second half.

Mr. Gregg: There are not very many of those cases and, in the second place, as reported at page 626 of *Hansard*, it will be seen that my hon. friend asked a question and I replied that the matter would be taken into consideration. I did that with the

director, and he assured me that the object aimed at by the hon. member is being carried out.

Mr. Brooks: I understand that settlers under the Veterans Land Act or the Soldier Settlement Act have to make payments at certain stated periods in the year. In New Brunswick, for instance, where the potato crop is gathered in the fall, occasion has arisen where a soldier settler has been more or less compelled to sell his crop in the fall in order to meet his obligations to the board, whereas if he had been allowed to hold the crop for a few months he might have got a better price. Is there any discretion left with the officials of the department to allow a soldier settler to hold his crop, when by doing so he could probably get a better price? My information is that they are more or less compelled to sell at some particular time in order to meet these payments.

Mr. Gregg: He has discretion. If it were held too long interest might accrue on it; but he has discretion.

Mr. Brooks: It might be a gamble, I understand.

Item agreed to.

Demobilization and reconversion—

551. Post discharge rehabilitation benefits including out-of-work allowances, university and vocational training including the training of merchant seamen and salt water fishermen pensioners, awaiting returns allowances, temporarily incapacitated allowances and unemployment insurance contributions, $28,850,000.

Mr. MacInnis: A number of matters are covered in this item. Would the minister give a breakdown or, if he has not the complete breakdown, would he give the information with respect to merchant seamen vocational training. How much of the item is allocated for that purpose?

Mr. Gregg: That subject comes more properly under the Department of Transport. However I placed on record earlier the figures the hon. member wants. The breakdown under the various headings is as follows:

Out of work benefits	$ 50,000
Vocational and technical training	3,700,000
Awaiting returns	1,010,000
Temporarily incapacitated	10,000
University training	18,005,000
Unemployment insurance contributions	6,000,000
Transportation and travel for applicants for and recipients of rehabilitation benefits	75,000

Mr. MacInnis: Would vocational training for merchant seamen come under that item, or is there a separate item?

Mr. Gregg: All vocational training is included in that.

[Mr. Gregg.]

Mr. MacInnis: How many merchant seamen are receiving vocational training at the present time under this item?

Mr. Gregg: The number is 317.

Mr. MacInnis: There seems to be considerable dissatisfaction among merchant seamen with the administration of their vocational training. I am glad the Minister of Transport came in a moment ago because I had some correspondence with him during the summer on this matter. On discussing the matter with officials of the merchant seamen's organization I am convinced that they have a legitimate complaint. I believe that the Minister of Transport is interpreting the order in council too narrowly. On the other hand, it may be that I am interpreting it too broadly.

I mentioned in a letter that I wrote to the Minister of Veterans Affairs and which he passed on to the Minister of Transport that I felt that merchant seamen should be treated the same as persons who had served in the armed forces when vocational training was involved. The Minister of Transport replied that their training was under the Department of Labour. I have read the order in council through carefully and I can find no mention in it of the Department of Labour. The governing section, as to training, in P.C. 5983 of December 29, 1948, reads:

Sections 13, 14 and 17B of the Veterans Rehabilitation Act shall be deemed to apply *pari passu* to a merchant seaman receiving training under this order.

My knowledge of Latin is not extensive but I understand that means that their rehabilitation training shall be the same as that of men who served in the armed forces. I cannot find where the Department of Labour comes into the picture. The letter of May 12, 1949, from the Minister of Transport states:

I notice that you regard the training of merchant seamen as a return for services rendered on the same basis as educational grants for services in the armed forces, whereas, the intention of order in council 5983 is to provide rehabilitation in the form of vocational training through the Department of Labour to merchant seamen under thirty years of age, to avoid the disadvantages they would suffer when seeking shore employment in competition with older and more experienced men.

As I have said, I think that is a rather narrow interpretation of P.C. 5983. Another objection the seamen have is the shortness of the time for making application for training under the order in council. I understand the order came into effect on January 1, 1949, and applications had to be made within six months or before June 30, 1949. I have a letter in my file from a seaman who went to sea early in January, 1949, but who did not return to his home port until after

June 30, 1949. Because of the time limitation this man is shut out from receiving vocational training even though he may be eligible in all other respects.

Many Canadian ships have been sold to foreign owners. The number of ships being operated has dropped from 43 to 18 which means that a large number of seamen have had to give up their occupation as sailors. Because of the present shipping situation they are not able to get work at their former vocations. The order provides for training only to those under 30 years of age with the restriction of the six months' limit.

I should like to hear from the Minister of Transport and the Minister of Veterans Affairs that they intend to give a more generous interpretation of this order particularly in regard to age and the extension of the time limit for receiving applications.

Mr. Green: I had intended to say a word on this matter and perhaps I can add a little to the submission made by the hon. member for Vancouver East. Just this week I had a return showing the number of merchant seamen who had applied under this order in council and stating what had happened to their applications. This return shows that 770 seamen applied under order in council P.C. 5983. Of that number, 118 were ruled out because they were over the age of 30 years. One hundred applications were withdrawn voluntarily before the cases had been referred by the different district officers to Ottawa. Three hundred and twenty-one applicants were accepted for training. This evening the Minister of Veterans Affairs gave that figure as 317 so there appears to be some slight variation. Nine applications were rejected on the ground that the men had served on ships of a registry other than Canadian. With regard to that I understand that in many cases men were ordered to go to allied ships. If that is so they should not be disqualified on the ground they did not serve on Canadian ships. One hundred and thirty-two were rejected on the ground that they had not signed a manning pool agreement. My understanding is that many of these lads were so young that the manning pool authorities would not sign them up, and hence it is unfair that they should be ruled ineligible. Then others were at sea at the time, and for that reason did not sign a manning pool agreement.

The return also showed 26 had been rejected on the ground they already had employment or a vocation. This evening the Minister of Veterans Affairs said there had been 195 rejected on the ground that they had not left the sea. That is the first time I have heard of that reason for rejecting them, and I think it is not a very good reason because, as the hon. member for Vancouver East said, the number of men who can get such employment is being reduced steadily.

Another question I had answered showed that there are only about 4,100 officers and men now in the Canadian merchant navy, so that it would seem that these men, who will probably have to leave the sea, should be allowed to get vocational training.

In any event, the figures show that less than half of the number who applied were able to qualify. I suggest to both ministers that the age limit should be lifted. I do not believe there should be any restriction imposed for that reason. The war service these men rendered was some years ago, and if they were twenty-five at the time they went into the merchant navy they are now too late to get vocational training. Of course with the lifting of the age limit there should also be a lifting of the time limit for application. Quite wide discretion is given to the departments to rule on these applications, and that should be sufficient without imposing an age limit or a time limit.

Apparently they can only take the type of vocational training approved by the Department of Transport. I brought up a case the last time these estimates were considered. It was the case of a man who wanted to get a type of training that the Department of Veterans Affairs would give, but the Department of Transport would not approve of it. Since that time the Department of Transport have given in and now this man is going to get the training that the Department of Veterans Affairs would have given him all the time. Training actually comes under the Department of Veterans Affairs, and I suggest if they have a course of training these men should be able to take that course.

Really the order in council in question, P.C. 5983, is based on the Department of Veterans Affairs Act. The order in council itself refers to the Department of Veterans Affairs Act, so that the Department of Veterans Affairs is directly responsible here. The vocational training is given because of the provisions of the Department of Veterans Affairs Act. Section 5 of that act gives the department power not only to help men who served in the armed forces but also reads in part:

> . . . any person who has otherwise engaged in pursuits relating to war, and of any other person designated by the governor in council.

Therefore there is power under the Department of Veterans Affairs Act for that department to give training to merchant navy

veterans. The responsibility really rests on the Department of Veterans Affairs rather than on the Department of Transport. I urge that the two ministers concerned give further consideration to the matter, not only to vocational training but also to educational training. Very few of these men can qualify now for educational training, and many of those who could qualify have been paying their own way to date. I suggest they should be helped now for the remainder of their courses.

I would point out to the Minister of Transport particularly that in the last annual report of his department which we have, that for the year up to March 31, 1948, there is a section dealing with nautical services, and in it we find that one of the responsibilities of the nautical services branch is:

> Issue of campaign stars and the War Medal 1939-45 to merchant seamen in recognition of service at sea in dangerous waters during the second world war.

We also find that another of their responsibilities is:

> Issue of Memorial Cross to mothers and widows of Canadian merchant seamen who lost their lives at sea or died as a result of service in the second world war.

Just the other day, in answer to a question asked by the hon. member for Nanaimo with regard to what procedure should be followed by ex-members of the Canadian armed forces and the merchant navy who are now resident outside Canada, in order to obtain their campaign stars and medals, the Minister of Transport brought down an answer which read:

> Canadian merchant seamen who have taken up permanent residence in the United Kingdom should apply for their general service medals, earned for service in the merchant navy during the second world war, to the registrar general of shipping and seamen, Llantrisant road, Cardiff, Wales.

Then the answer goes on to say where Canadian merchant seamen should apply who have taken up residence in South Africa, Australia or New Zealand. The answer ended by saying:

> Canadian merchant seamen who have taken up permanent residence in United States, or other countries not named above, should apply to the supervisor of nautical services, Department of Transport, Ottawa.

The Chairman: Order.

Mr. Green: I am just about finished. Surely if any proof is needed that these men should be given vocational training and treated as though they were members of the armed forces, those two actions by the Department of Transport furnish that proof. I would ask the two ministers concerned to give serious consideration to the suggestion.

Item stands.

Progress reported.

BUSINESS OF THE HOUSE

Mr. Chevrier: On Monday the house will not meet until 4.30 in the afternoon because of the address by the Prime Minister of India. The first item of business will be resuming the debate on the budget. If it is completed or adjourned, we should like to open two or three new departments.

Mr. Green: There are only three left.

Mr. Chevrier: There are more than that. We should like to open National Health and Welfare, Post Office, and Finance.

Mr. MacInnis: Will the Postmaster General be here?

Mr. Chevrier: Then we should like to go into supply with the estimates of the Department of Transport.

Mr. Green: Can the minister tell us how many departments remain to be opened? I understand there are only three, and the agreement the other night was that only one would be opened on the next motion to go into supply.

Mr. Chevrier: I was not here when any agreement was made, but I shall be glad to look at the record. Speaking from memory only, over and above those I have mentioned this evening there are at least two, if not three, more departments to open.

Mr. Green: Three are already in.

Mr. Chevrier: Three are already in, and with these sixteen—there would be more than three.

Mr. Green: Will the minister check up the undertaking given by the Minister of Public Works the other day?

Mr. Chevrier: Yes.

At eleven o'clock the house adjourned, without question put, pursuant to standing order, until Monday, October 24, at 4.30 in the afternoon.

[The following items were passed in committee of supply]:

DEPARTMENT OF VETERANS AFFAIRS

Soldier Settlement and Veterans' Land Act—

545. To provide for the cost of administration of Veterans' Land Act; soldier settlement and British family settlement, $4,447,443.

546. To provide for the upkeep of property, Veterans' Land Act, including engineering and other investigational planning expenses that do not add tangible value to real property; taxes, insurance and maintenance of public utilities—formerly included under the vote for the administration of the Veterans' Land Act, $152,000.

547. To provide for the payment to the government of the United Kingdom on account of losses under the 3,000 British family agreement of August 20, 1924, and the New Brunswick 500 British family agreements of August 4, 1927, and August 27, 1935, $25,000.

548. To provide for the payment of grants to veterans settled on provincial lands in accordance with agreements with provincial governments under section 35 of the Veterans' Land Act, 1942 (as amended by order in council P.C. 2122, dated 13th April, 1945), and payment of grants to veterans settled on dominion lands, in accordance with an agreement with the Minister of Mines and Resources, under section 35 of the Veterans' Land Act, 1942, as amended (P.C. 1550 of 18th April, 1946), $2,536,000.

549. To provide for the payment of grants to Indian veterans settled on Indian reserve lands under section 35A of the Veterans' Land Act, 1942 (as amended by order in council P.C. 2122, dated 13th April, 1945), $600,000.

550. To provide for the reduction of indebtedness to the director of soldier settlement of a settler under the Soldier Settlement Act, in respect of a property in his possession, the title of which is held by the director, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property and his ability to repay his indebtedness to the director, under regulations approved by the governor in council, $150,000.

END OF VOLUME I